

Charity Number: 1002876

THE SAUDI BRITISH SOCIETY
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2004

CHANTER, BROWNE & CURRY
Chartered Accountants
1 Plato Place
72-74 St Dionis Road
London SW6 4TU.

THE SAUDI BRITISH SOCIETY

CHARITY INFORMATION

| | |
|--------------------------------|---|
| Charity number | 1002876 |
| President | H.R.H. Prince Turki al Faisal |
| Honorary Vice-President | Lord Charles Denman |
| Chairman | Sir Alan Munro |
| Vice-Chairman | Mr Christopher Owen Jones |
| Secretary | Mrs Ionis V Thompson |
| Honorary Treasurer | Mr Michael Brigden |
| Trustees | Sir Alan Munro Mr Christopher Owen Jones Mrs Ionis V Thompson Mr Khalid al Balawi Dr Saud al Sati Mr Anthony Bailey Mr Michael Brigden Mr Colin Craig OBE Brigadier Nicholas Cocking Mr Mu'awiya Derhalli Mr Hassan Khayat Mrs Caroline Montagu Mr Jolyon Welsh |
| Registered office | The Arab-British Centre 1 Gough Square London EC4A 3DE. |
| Accountants | Chanter, Browne & Curry 1 Plato Place 72-74 St Dionis Road London SW6 4TU |

THE SAUDI BRITISH SOCIETY

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THE SAUDI BRITISH SOCIETY

TRUSTEES' REPORT **FOR THE YEAR ENDED 31 DECEMBER 2004**

The trustees present their annual report with the financial statements of the charity for the year ended 31 December 2004. The financial statements have been prepared in accordance with the accounting policies set out in note 1 and comply with the charity's trust deed and applicable law.

Trustees

The trustees who served during the year were:-

| | |
|---|---|
| Lord Charles Denman (resigned 14/01/04) | Mr Khalid al Balawi |
| Sir Alan Munro | Brigadier Nicholas Cocking |
| Mr Christopher Owen Jones | Mr Mu'awiya Derhalli |
| Mrs Ionis Thompson | Mr Hassan Khayat |
| Sir James Craig (resigned 14/01/04) | Mrs Caroline Montagu |
| Mr J Grafftey-Smith (resigned 14/01/04) | Mr Jolyon Welsh |
| Dr John Ind (resigned 14/01/04) | Dr Saud al Sati (appointed 14/01/04) |
| Mr H St. John Armitage CBE (deceased) | Mr Anthony Bailey (appointed 14/01/04) |
| Mr Douglas Rogerson (resigned 14/01/04) | Mr Michael Brigden (appointed 14/01/04) |
| Mr Nadhmi al Nasser (resigned) | Mr Colin Craig OBE (appointed 14/01/04) |
| Mr Abdullah al Nasser (resigned) | |

Sir Alan Munro was appointed as Chairman, in place of the retiring Lord Denman, on 14 January 2004.

Appointment of trustees is governed by the Trust Deed of the charity. The Board of Trustees is authorised to appoint new trustees to fill vacancies arising through resignation or death of an existing trustee.

Investment Powers

The Trust Deed authorises the trustees to make and hold investments using the general funds of the charity, but no such investments are presently held.

Constitution, objects and policies

The Society was formed on 19 January 1987 to further cordial relations between Britain and Saudi Arabia. The Saudi British Society was registered by the Charity Commission on 23 May 1991. The registered address is: The Arab-British Centre, 1 Gough Square, London EC4A 3DE.

Transactions and financial position

The Statement of Financial Activities shows a deficit for the year of £1,396. Our reserves stand at £53,340.

Development, activities, achievements this year and future developments

The trustees consider that the performance of the charity this year has been satisfactory. Funds available are sufficient to permit the charity to continue in operation for the foreseeable future.

Risk management

The trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining reserves at current levels, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks.

THE SAUDI BRITISH SOCIETY

TRUSTEES' REPORT (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2004**

Reserves policy

It is the policy of the charity to maintain unrestricted funds at a level which equate to approximately 12 months unrestricted expenditure. This provides sufficient funds to cover management and administration and support costs. Unrestricted funds are maintained at at least this level throughout the year.

Statement of trustees' responsibilities

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing those financial statements, the trustees are required to:

- (a) select suitable accounting policies and apply them consistently;
- (b) make judgements and estimates that are reasonable and prudent;
- (c) state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- (d) prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 1993. 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.

This report was approved by the trustees on 30 June 2005 and is signed on their behalf.

.....
Sir Alan Munro

Chairman

THE SAUDI BRITISH SOCIETY

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

I report on the accounts of the Society for the year ended 31 December 2004, which comprise the Statement of Financial Activities, the Balance Sheet and the related notes.

Respective responsibilities of trustees and examiner

As the charity's trustees, you are responsible for the preparation of the accounts; you consider that the audit requirement of section 43(2) of the Charities Act 1993 (the Act) does not apply. It is my responsibility to examine the accounts under section 43(3)(a) of the Act and to state, on the basis of procedures specified in the General Directions given by the Charity Commissioners under section 43(7)(b) of the Act, 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 Commissioners. An examination includes a review of the accounting records kept by the charity 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 I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with my examination, no matters have come to my attention:

- 1) which give me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 41 of the Act;
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Act have 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.

.....
P.G. Browne FCA ATII

Chanter, Browne & Curry
Chartered Accountants
1 Plato Place
72-74 St Dionis Road
London
SW6 4TU

Date: 30 June 2005

THE SAUDI BRITISH SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2004

| | | <u>Unrestricted funds</u> | |
|---|--------------|---------------------------|----------------|
| | <u>Notes</u> | <u>2004</u> | <u>2003</u> |
| | | <u>£</u> | <u>£</u> |
| Incoming resources | | | |
| Subscriptions | | 2,413 | 3,276 |
| Activities for generating funds | 2 | 3,180 | 3,030 |
| Bank interest received | | 1,819 | 1,772 |
| | | ÄÄÄÄÄÄÄ | ÄÄÄÄÄÄÄ |
| Total incoming resources | | 7,412 | 8,078 |
| | | ÄÄÄÄÄÄÄ | ÄÄÄÄÄÄÄ |
| Resources expended | | | |
| Costs of generating funds | 3 | 4,767 | 10,259 |
| Charitable expenditure | | | |
| Management and administration | 4 | 4,041 | 3,730 |
| | | ÄÄÄÄÄÄÄ | ÄÄÄÄÄÄÄ |
| Total resources expended | | 8,808 | 13,989 |
| | | ÄÄÄÄÄÄÄ | ÄÄÄÄÄÄÄ |
| Net movement in funds for the year | | (1,396) | (5,911) |
| Total funds brought forward | | 54,736 | 60,647 |
| | | ÄÄÄÄÄÄÄ | ÄÄÄÄÄÄÄ |
| Total funds carried forward | | 53,340 | 54,736 |
| | | ↑↑↑↑↑↑↑ | ↑↑↑↑↑↑↑ |

There are no recognised gains and losses for 2003 or 2004 other than those included in the Statement of Financial Activities.

THE SAUDI BRITISH SOCIETY

BALANCE SHEET AT 31 DECEMBER 2004

| | <u>Notes</u> | <u>2004</u> £ | <u>2003</u> £ |
|---|--------------|-------------------|-------------------|
| Current assets | | | |
| Debtors | 6 | 283 | 225 |
| Cash at bank and in hand | | 53,556 ÄÄÄÄÄÄÄ | 54,981 ÄÄÄÄÄÄÄ |
| | | 53,839 | 55,206 |
| Creditors: amounts falling due within one year | | | |
| | 7 | (499) ÄÄÄÄÄÄÄ | (470) ÄÄÄÄÄÄÄ |
| Total assets less current liabilities | | 53,340 ííííííí | 54,736 ííííííí |
| Funds | | | |
| Unrestricted funds | | 53,340 ííííííí | 54,736 ííííííí |

Approved by the trustees and signed on their behalf:-

.....
Sir Alan Munro
Chairman

Date: 30 June 2005

THE SAUDI BRITISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2004

1 Accounting policies

1.1 Basis of preparation of the accounts

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002). In preparing the financial statements the charity follows best practice as laid down in the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2000) issued in October 2000 and SORP Update Bulletin 1 issued in December 2002.

1.2 Subscriptions and donations

Subscriptions and donations are recorded as income in the period in which they are received, except where the donor specifies that the donation should be used for a specific period.

1.3 Value added tax

Value added tax is not recoverable by the charity, and as such is included in the relevant costs in the Statement of Financial Activities.

1.4 Management and administration expenditure

Expenditure on management and administration of the charity includes all expenditure not directly related to the charitable activity or fundraising ventures. This includes costs of staff salaries for administrative staff, office costs and accountancy fees.

| 2 | Activities for generating funds | <u>2004</u> | <u>2003</u> |
|----------|---|--------------------|--------------------|
| | | £ | £ |
| | Contributions received towards dinners and receptions | 3,180 | 3,030 |
| | | ↑↑↑↑↑↑↑↑ | ↑↑↑↑↑↑↑↑ |
| 3 | Costs of generating funds | <u>2004</u> | <u>2003</u> |
| | | £ | £ |
| | Receptions and annual dinner | 4,267 | 9,643 |
| | Lecture and promotional costs | 500 | 616 |
| | | AAAAAAAA | AAAAAAAA |
| | | 4,767 | 10,259 |
| | | ↑↑↑↑↑↑↑↑ | ↑↑↑↑↑↑↑↑ |

THE SAUDI BRITISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2004

| 4 Management and administration | <u>2004</u> | <u>2003</u> |
|--|--------------------|--------------------|
| | £ | £ |
| Staff costs (see note 5) | 2,217 | 1,667 |
| Office costs | 887 | 1,546 |
| Accountancy | 499 | 517 |
| Other costs | 438 | - |
| | AAAAAAAA | AAAAAAAA |
| | 4,041 | 3,730 |
| | | |

5 Staff costs

No remuneration was paid to trustees in the year, nor were any trustees' expenses reimbursed. The staff costs were:

| | <u>2004</u> | <u>2003</u> |
|----------------|--------------------|--------------------|
| | £ | £ |
| Staff salaries | 2,217 | 1,667 |
| | | |

The average weekly number of staff employed calculated as full time equivalents during the year was: 1 (2003: 1).

| 6 Debtors | <u>2004</u> | <u>2003</u> |
|------------------|--------------------|--------------------|
| | £ | £ |
| Prepayments | 225 | 167 |
| Other debtors | 58 | 58 |
| | AAAAAAAA | AAAAAAAA |
| | 283 | 225 |
| | | |

| 7 Creditors: amounts falling due within one year | <u>2004</u> | <u>2003</u> |
|---|--------------------|--------------------|
| | £ | £ |
| Other creditors | 499 | 470 |
| | | |