

RAND Europe UK Ltd

Annual report and financial statements
for the year ended 30 September 2012

Registered Number: 4132205

Registered Charity Number. 1089106

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RAND Europe UK Ltd

Annual report and financial statements for the year ended 30 September 2012

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RAND Europe UK Ltd

Trustees, directors, officers and advisors

Trustees and Directors

Sir John Boyd (resigned 11th July 2012)
Honourable Philip Lader (resigned 11th July 2012)
Right Honourable Michael Portillo (resigned 11th July 2012)
Professor Francis Kelly (resigned 11th July 2012)
Lord Nigel Crisp (resigned 11th July 2012)
Mrs Philippa Foster-Back (resigned 11th July 2012)
Ms Gunvor Kronman (resigned 11th July 2012)
Professor Laurens Jan Brinkhorst (resigned 11th 2012)
Lord Neil Kinnock (resigned 11th July 2012)
Mr Michael D Rich
Dr Ian McEwan (appointed 11th July 2012)
Mr H Pung (appointed 11th July 2012)
Mr C Ries (appointed 11th July 2012)

Company Secretary

Dr Ian McEwan

Registered Office

Westbrook Centre
Milton Road
Cambridge
CB4 1YG

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Abacus House
Castle Park
Cambridge
CB3 0AN

Solicitors

Taylor Vinters
Merlin Place
Cambridge
CB4 0DP

Bankers

Barclays Bank plc
Bene't Street
Cambridge
CB2 3PZ

President

Mr H Pung

Finance and Commercial Director

Dr Ian McEwan

RAND Europe UK Ltd

Report of the Trustees for the year ended 30 September 2012

The Trustees, who are also directors of the company for the purposes of the Companies Act 2006, present their annual report and the audited financial statements for the year ended 30 September 2012

The information with respect to Trustees, directors, officers and advisors set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, applicable Accounting Standards in the United Kingdom and the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Status and administration

The company is a charitable company limited by guarantee, incorporated on 28 December 2000 as RAND Europe (company registration number 4132205) and registered with the Charity Commissioners as a charity on 29 October 2001 (charity registration number 1089106).

The company's name was changed to RAND Europe (UK) on 14 August 2002, then to RAND Europe on 19 August 2010 and finally to RAND Europe UK Ltd on 25th June 2012.

The company's governing document is the Memorandum and Articles of Association, which contains the investment powers of the company.

Objects

The objects of the company, as stated in its governing document are:

- the advancement of education of the public in matters connected with the development of society including, but not limited to, transport, health, education, technology, international relations and security, and
- the conduct, promotion and encouragement of research into matters connected with the development of society including, but not limited to, transport, health, education, technology, international relations and security, for the benefit of the public.

Principal office

The principal and registered office of the charity is at Westbrook Centre, Milton Road, Cambridge, CB4 1YG.

Review of activities and future developments

A summary of the work of the charity is set out below.

The company's mission remains *to help improve policy and decision-making through research and analysis*. The company is currently considering ways to donate its funds in furtherance of this mission.

Supporting the mission are four aims of improving objective research, making a valued contribution, operational excellence and supporting Global RAND with twelve strategic objectives.

Previously, the company met its objects largely through the mission, aims and objectives of its former subsidiary, RAND Europe Community Interest Company (formerly known as RAND Europe Cambridge Limited). During the year, RAND Europe UK Ltd donated its 100% shareholding in RAND Europe Community Interest Company to RAND Corporation for £nil net consideration as part of a governance review and subsequent restructuring.

Currently the Trustees are considering their strategy for generating revenue and granting funds and undertaking a constitutional review.

RAND Europe UK Ltd

Report of the Trustees for the year ended 30 September 2012 (continued)

Financial Review

The aim for the coming year is to identify and contribute funding to initiatives aimed at promoting evidence-based policy and decision making in Europe

Changes in Fixed Asset Investments

The movements in fixed asset investments during the year are set out in note 3 to the financial statements

Risk Management

The trustees have a risk management strategy which comprises

- An annual review of the risks the charity may face,
- The establishment of systems and procedures to minimise those risks, and
- The implementation of procedures to minimise any potential impact on the charity should those risks materialise

At this time no major risks have been identified in the charity

Investment Policy

The Trustees have full discretion to invest funds not immediately needed as they from time to time determine

Reserves

The Trustees consider all funds to be unrestricted and will review the reserves policy in line with the overall strategy

RAND Europe UK Ltd

Report of the Trustees for the year ended 30 September 2012 (continued)

Governance of the charity

Trustees are elected by the members of the company at the annual general meeting. There is no maximum number of trustees according to the company's articles of association. The Trustees have the power to co-opt Trustees to fill casual vacancies in their number or as additional Trustees. The Trustees are committed to promoting accountability and public confidence. The Trustees have been and will continue to be recruited for their experience of and involvement in public policy and social issues with which the charity is concerned, or for their knowledge of company accounting and business administration. The Trustees make nominations following searches for suitably qualified individuals, after consideration of the correct balance of skills required for the Board. Under the company's Articles of Association, one third (or the number nearest one third) of the Trustees retire at each annual general meeting and may be reappointed. Under the company's Articles of Association the Trustees are required to meet at least twice a year. It is the company's policy when inducting Trustees to inform them of their duties and responsibilities as charity trustees and directors, best practice corporate governance and the recommendations of the Charity Commission on effective charities. Training is given as necessary to take account of changes in legislation and recommended best practice in managing charities and companies.

The Trustees' duties are set out in the RAND Europe UK Ltd Board of Trustees Charter. Specifically the Board of Trustees' principal objective is to help strengthen RAND Europe UK Ltd's position as an independent and trusted policy advisor. To this end the Board

- provides direction, advice, and counsel to enhance RAND Europe UK Ltd's position as an independent and trusted European policy advisor,
- increases external awareness of the research undertaken by RAND Europe UK Ltd and to promote and disseminate findings to a wide spectrum of government agencies, research organisations, businesses, citizens groups, community-based enterprises, philanthropic entities and individuals, and the public-at-large, and
- assists in raising funds necessary to sustain independent and pioneering research

The Trustees who served during the period are listed on page 1

Committees

The Trustees will establish committees for specific areas of the charity's operations as the need arises

Statement of Trustees' responsibilities

The Trustees (who are also directors of RAND Europe UK Ltd for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the 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 and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements 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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the

RAND Europe UK Ltd

Report of the Trustees for the year ended 30 September 2012 (continued)

Statement of Trustees' responsibilities (continued)

assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

In so far as the Trustees are aware

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- the Trustees have taken all the steps they ought to have taken in order to make themselves aware of any relevant audit information and to establish the auditor is aware of this information

Public benefit reporting

The RAND Europe UK Ltd Board of Trustees has considered the guidelines provided by the UK Charity Commission with regard to requirements for Public Benefit Reporting as mandated by Section 4 of the Charities Act 2011 and in compliance, is pleased to submit the following report

The Trustees do not consider public benefit reporting as a statutory duty alone, but as an integral part of the charity's performance to be disseminated to our stakeholders – our clients, supporters, collaborators, research partners – in fact, anyone interested in the work of the charity

RAND Europe UK Ltd is part of the RAND Corporation and shares the tradition of innovative problem-solving started over sixty years ago. RAND was formed as a not-for-profit corporation in 1948.

Our mission is to help improve policy and decision-making through research and analysis. We realise our mission by undertaking objective, balanced and relevant research and analysis, communicating our findings to the widest audience possible, often through publications made freely available on our website (www.rand.org/randeurope) and through other means listed below, and working in partnership with our clients and collaboratively with others.

Independent auditors

A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the charity will be proposed at the annual general meeting on 20th June 2013.

By order of the Board



Dr Ian McEwan
Company Secretary

Date: 21/6/13

RAND Europe UK Ltd

Independent Auditors' Report to the Members of RAND Europe UK Ltd

We have audited the financial statements of RAND Europe UK Ltd for the year ended 30 September 2012 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. 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).

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on pages 4 and 5, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements 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.

This report, including the opinions, has been prepared for and only for the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company'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 financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees for the year ended 30 September 2013 to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2012 and of its incoming resources and application of resources, including its income and expenditure and cash flows, 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

RAND Europe UK Ltd

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Simon Ormiston (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cambridge

Date 20 June 2013

RAND Europe UK Ltd

Statement of Financial Activities for the year ended 30 September 2012 (incorporating income and expenditure account)

| | Notes | Unrestricted funds | |
|--|----------|--------------------|---------------|
| | | 2012 | 2011 |
| | | £ | £ |
| Resources expended | | | |
| Donation | 3 | (2) | - |
| Total resources expended | | (2) | - |
| Net expenditure for the year | | (2) | - |
| Net movement in funds | | | |
| Funds brought forward at 1 October | 5 | 55,657 | 55,657 |
| Funds carried forward at 30 September | 5 | 55,655 | 55,657 |

All resources expended are from continuing activities

The group has no recognised gains and losses other than the results above and therefore no separate statement of total recognised gains and losses has been presented

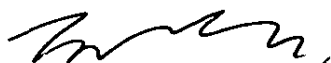
The company does not have any employees No expenses have been paid to Trustees No audit fees have been charged to the company

RAND Europe UK Ltd

Balance Sheet as at 30 September 2012

| | Notes | 2012 £ | 2011 £ |
|--|-------|-----------|-----------|
| <hr/> | | | |
| Fixed assets | | | |
| Investments | 3 | - | 2 |
| | | - | 2 |
| Current assets | | | |
| Debtors amounts falling due within one year | 4 | 55,655 | 55,655 |
| Net current assets | | 55,655 | 55,655 |
| Total assets less current liabilities | | 55,655 | 55,657 |
| <hr/> | | | |
| Net assets | | 55,655 | 55,657 |
| <hr/> | | | |
| Capital and reserves: | | | |
| Unrestricted funds | | | |
| General fund | 5 | 55,655 | 55,657 |
| Net funds | 5 | 55,655 | 55,657 |

The accounts on pages 8 to 12 were approved by the Trustees and authorised for issue on 20 June 2013



Dr Ian McEwan
Trustee

Registered number 4132205
Registered charity number 1089106

RAND Europe UK Ltd

Notes to the financial statements for the year ended 30 September 2012

1 Principal accounting policies

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom, the Companies Act 2006 and the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" published in March 2005. A summary of the principal accounting policies, which have been applied consistently, are set out below.

Basis of accounting and preparation

The financial statements are prepared in accordance with the historical cost convention. The basis of preparation is as a going concern.

Basis of consolidation

During the year, RAND Europe UK Ltd donated its 100% shareholding in RAND Europe Community Interest Company to RAND Corporation for £nil net consideration. As a result, RAND Europe UK Ltd has no subsidiary undertakings and no longer presents consolidated financial statements.

Investments

Investments in subsidiary undertakings are stated at cost, but are written down to their realisable value if it is considered that there has been a permanent diminution in their value.

Recognition of liabilities

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the directors in furtherance of the general objectives of the charity and which have not been designated for other purposes. The charity has no restricted funds.

Cashflow statement

The company has taken the exemption afforded by financial reporting standards to not include a cashflow statement.

RAND Europe UK Ltd

2 Trustees' emoluments

No trustees received emoluments

3 Fixed Asset Investments

| | Investments in subsidiary or associated undertaking | Total |
|-----------------------------|---|----------|
| | £ | £ |
| Cost | | |
| At 30 September 2011 | 2 | 2 |
| Disposal | (2) | (2) |
| At 30 September 2012 | - | - |
| Net book value | | |
| At 30 September 2011 | 2 | 2 |
| At 30 September 2012 | - | - |

During the year, RAND Europe UK Ltd donated its 100% shareholding in RAND Europe Community Interest Company to RAND Corporation for £nil net consideration

The charity does not have any other fixed asset investments

4 Debtors

| | 2012 £ | 2011 £ |
|--|---------------|---------------|
| Amounts falling due within one year | | |
| Amounts owed by RAND Europe Community Interest Company | 55,655 | 55,655 |
| | 55,655 | 55,655 |

RAND Europe UK Ltd

5 Funds

| | Balance 2011 | Incoming resources | Resources expended | Balance 2012 |
|---------------------------|-----------------|-----------------------|-----------------------|-----------------|
| | £ | £ | £ | £ |
| Unrestricted funds | | | | |
| General fund | 55,657 | - | (2) | 55,655 |
| Total funds | 55,657 | - | (2) | 55,655 |

6 Capital

The charity is a company limited by guarantee. The RAND Corporation is the sole member. The RAND Corporation as the only member has undertaken to contribute to the assets of the company to meet its liabilities if called on to do so.

7 Related party transactions

During the year, RAND Europe UK Ltd donated its 100% shareholding in RAND Europe Community Interest Company to RAND Corporation for £nil net consideration.

8 Ultimate controlling party

As at 30 September 2012, the Trustees are the ultimate controlling party.

All of the Trustees are appointed by RAND Corporation, a charity registered in the USA whose financial statements can be obtained from RAND Europe UK Ltd, Westbrook Centre, Milton Road, Cambridge CB4 1YG.