

Charity Number: 1002876

**THE SAUDI BRITISH SOCIETY**  
**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2007**

**CHANTER, BROWNE & CURRY**  
Chartered Accountants  
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 2007**

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The trustees present their annual report with the financial statements of the charity for the year ended 31 December 2007.

The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in 2005 in preparing the annual report and financial statements of the charity.

<b>President</b>	H.R.H. Prince Mohammed bin Nawaf Al-Saud
<b>Honorary Vice-President</b>	The Rt Hon. Lord Charles Denman CBE, MC, TD
<b>Chairman</b>	Sir Alan Munro KCMG
<b>Vice-Chairman</b>	Mr Christopher Owen Jones
<b>Honorary Secretary</b>	Mrs Ionis V Thompson
<b>Honorary Treasurer</b>	Mrs Susan Crane
<b>Trustees</b>	Sir Alan Munro KCMG Mrs Susan Crane Mr Christopher Owen Jones Mrs Ionis V Thompson Mr Khalid al Balawi (resigned) Mr Anthony Bailey KCSS Mr Michael Brigden BSocSc, ACIB Brigadier Nicholas Cocking Mr Mu'awiya Derhalli Mr Hassan Khayat Mrs Caroline Montagu Mr Lawrence Edward Walker LVO, OBE Mr Mohammad Al-Shammary Mr H.E. Abdullah Shagrood Ms Kay Harris
<b>Registered charity number</b>	1002876
<b>Registered office</b>	1 Gough Square London EC4A 3DE.
<b>Independent examiner</b>	Chanter, Browne & Curry Chartered Accountants 1 Plato Place 72-74 St Dionis Road London SW6 4TU.
<b>Bankers</b>	National Westminster Bank 1-4 Berkeley Square House Berkeley Square London W1A 1SN.

# **THE SAUDI BRITISH SOCIETY**

## **TRUSTEES' REPORT (CONTINUED)** **FOR THE YEAR ENDED 31 DECEMBER 2007**

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### **Structure, Governance and Management**

#### **Governing Document**

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 charity has a trust deed which sets out the Society's objects and powers.

#### **Recruitment and Appointment of Trustees**

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.

#### **Trustee Induction**

Trustees are given documents relating to the rules and obligations of trustees as set out by the Charity Commission.

#### **Risk management**

The trustees actively review the major risks which the Society 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.

#### **Organisational Structure**

The Society has a President who is always the Saudi Arabian Ambassador in London, and an elected Committee. The Society has an honorary Secretary and Treasurer. There is also a part-time administrator.

#### **Objectives and Activities**

The Society's objects are to help promote closer friendship and understanding between the people of Saudi Arabia and the United Kingdom. The Society is a social, cultural, non-political and non-commercial organisation. It aims to bring together British citizens who have an interest in Saudi Arabia and Saudi Arabian citizens who are resident in, visitors to or interested in the UK. It aims also to provide a medium through which hospitality may be offered to Saudi Arabians visiting or living in the UK.

The Society's activities have included receptions for important visitors, dinners, exhibitions, lectures and a book launch. The Society takes an active interest in the activities of the King Fahd Academy in Ealing and, with the generous and valuable support of British Aerospace, presents a silver cup and a cheque each year to the boy and girl nominated as best student by the Headmaster and Headmistress.

# **THE SAUDI BRITISH SOCIETY**

## **TRUSTEES' REPORT (CONTINUED)** **FOR THE YEAR ENDED 31 DECEMBER 2007**

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### **Achievements and Performance**

The past year marked a milestone in the activities of the Society with the presentation in January 2007 of the first two Al Rawabi Group prizes for outstanding contribution to Saudi-British relations. The winners, chosen from nominations made by members of the Society, were Bernard Warden and Colin Manning. Bernard Warden was chosen for his work over many years towards the success of the Saudi-British Sports Cooperation Programme, which brings young people from both countries to meet and share experience in the fields of sport and youth activities. Colin Manning, headmaster of the North Reddish Junior School in Stockport, was chosen for the close association he has developed between his school and Al Anjal Primary School in Jeddah through a busy website link, shared work programmes and exchange of visits. Both winners spoke of their work during the award presentations, which were made by Mr Abdul Aziz al Turki, the donor of these generous prizes. Many members attended this most enjoyable event, which was held at the Travellers Club and followed by a buffet supper.

The year also saw an interesting programme of talks, held at the Middle East Association. In April 2007, Michael Rice gave a fascinating talk on the prehistory of Saudi Arabia and the Gulf region with illustrations of artifacts which have been uncovered at various prehistoric sites. In May 2007, Sir Sherard Cowper-Coles, outgoing British Ambassador to Saudi Arabia, gave a much appreciated talk on his personal, and positive, impressions of the Saudi scene. James Barr gave a well received talk in September 2007 on his book "Setting The Desert On Fire: T.E. Lawrence and Britain's Secret War In Arabia, 1916-18". In November 2007, Dr Mona al Munajjed, gave an excellent talk about her book "Saudi Women Speak" which describes the lives of 24 "remarkable" Saudi women.

### **Financial review**

The attached financial statements summarise the Society's transactions for the year ended 31 December 2007.

### **Principal Funding Sources**

The Society's principal sources of funding are:-

- (a) members' subscriptions;
- (b) members' contributions towards events held by the Society.

### **Investment Policy**

The Trust Deed authorises the trustees to make and hold investments using the general funds of the charity. The trustees considered the most appropriate policy for investing funds. During the year, the trustees have invested a total of £25,000 in investment funds. The returns on investment are considered to be satisfactory.

### **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.

### **Plans for Future Periods**

The second annual Al Rawabi Holdings Prizes were presented in January 2008. Further talks on a range of topics are planned for 2008.

# **THE SAUDI BRITISH SOCIETY**

## **TRUSTEES' REPORT (CONTINUED)** **FOR THE YEAR ENDED 31 DECEMBER 2007**

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### **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.

### **Independent Examiner**

The trustees intend to ask the existing accountants to undertake the independent examination of the Society's accounts in the following year.

This report was approved by the trustees on 2 July 2008 and is signed on their behalf.

.....  
**Sir Alan Munro**  
Chairman

# **THE SAUDI BRITISH SOCIETY**

## **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES**

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I report on the accounts of the Society for the year ended 31 December 2007, 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, and that an independent examination is needed. 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 CTA**

### **Chanter, Browne & Curry**

Chartered Accountants  
1 Plato Place  
72-74 St Dionis Road  
London  
SW6 4TU

Date: 2 July 2008

# THE SAUDI BRITISH SOCIETY

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2007

	<u>Notes</u>	<u>Unrestricted funds</u>	
		<u>2007</u>	<u>2006</u>
		<u>£</u>	<u>£</u>
<b>Incoming resources</b>	1.2		
Subscriptions		2,647	1,628
Contributions receivable		2,265	3,350
Donations received		90	1,015
Bank interest received		1,453	1,758
Other income		292	311
		<hr/>	<hr/>
<b>Total incoming resources</b>		<b>6,747</b>	<b>8,062</b>
		<hr/>	<hr/>
<b>Resources expended</b>			
Costs of generating funds	1.3, 2	7,364	3,882
<b>Charitable expenditure</b>			
Charitable activities	1.3, 3	4,515	6,104
Governance costs	1.3, 3	734	705
		<hr/>	<hr/>
<b>Total resources expended</b>		<b>12,613</b>	<b>10,691</b>
		<hr/>	<hr/>
<b>Net resources expended before other recognised gains and losses</b>		<b>(5,866)</b>	<b>(2,629)</b>
<b>Other recognised gains and losses</b>			
Loss on revaluation of investments	5	(1,563)	-
		<hr/>	<hr/>
<b>Net movement in funds</b>		<b>(7,429)</b>	<b>(2,629)</b>
<b>Reconciliation of funds</b>			
Total funds brought forward		48,451	51,080
		<hr/>	<hr/>
<b>Total funds carried forward</b>		<b>41,022</b>	<b>48,451</b>
		<hr/> <hr/>	<hr/> <hr/>

The Statement of Financial Activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

# THE SAUDI BRITISH SOCIETY

## BALANCE SHEET AT 31 DECEMBER 2007

	<u>Notes</u>	<u>Unrestricted funds</u>			
		<u>2007</u>			<u>2006</u>
		<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<b>Fixed assets</b>					
Investments	5		23,437		-
<b>Current assets</b>					
Cash at bank and in hand		29,261		60,097	
<b>Creditors: amounts falling due within one year</b>	6	(11,676)		(11,646)	
<b>Net current assets</b>			<u>17,585</u>		<u>48,451</u>
<b>Total assets less current liabilities</b>			<u>41,022</u>		<u>48,451</u>
<b>Funds</b>					
General fund	7		<u>41,022</u>		<u>48,451</u>

Approved by the trustees and signed on their behalf:-

.....  
**Sir Alan Munro**  
Chairman

Date: 2 July 2008

# THE SAUDI BRITISH SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2007

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### **1 Accounting policies**

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

#### **1.1 Basis of preparation of the accounts**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007). In preparing the financial statements the charity follows best practice as laid down in the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in 2005.

#### **1.2 Incoming resources**

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 Resources expended**

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Costs of generating funds comprise costs directed related to the Society's activities during the year, including the costs of holding the buffet evening and lectures.

Governance costs represents accountancy fees. All other expenditure is included under charitable expenditure.

<b>2 Costs of generating funds</b>	<b><u>2007</u></b>	<b><u>2006</u></b>
	<b>£</b>	<b>£</b>
Receptions and annual dinner	4,644	3,520
Lecture and promotional costs	2,720	362
	<hr/>	<hr/>
	7,364	3,882
	<hr/> <hr/>	<hr/> <hr/>

# THE SAUDI BRITISH SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2007

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<b>3 Charitable expenditure</b>	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
<b>Charitable activities</b>		
Staff costs		
- administrator's salary	2,925	2,700
Office costs	1,090	2,404
Donations paid	500	1,000
Other costs	-	-
	<hr/>	<hr/>
	4,515	6,104
	<hr/>	<hr/>
<b>Governance costs</b>		
Accountancy fees	734	705
	<hr/>	<hr/>

None of the trustees (nor any persons connected with them) received any remuneration nor were reimbursed for expenses during the year.

The average number of employees during the year was 1 (2006: 1).

### **4 Taxation**

As a charity, The Saudi British Society is exempt from tax on income and gains where they are applied for charitable purposes. No tax charges have arisen in the two years ended 31 December 2007.

### **5 Fixed asset investments**

	<b><u>Investment</u></b>
	<b><u>funds</u></b>
	<b>£</b>
<b>Cost</b>	
At 1 January 2007	-
Additions	25,000
Revaluation	(1,563)
	<hr/>
At 31 December 2007	23,437
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# THE SAUDI BRITISH SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2007

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<b>6</b>	<b>Creditors: amounts falling due within one year</b>	<b>2007</b>	<b>2006</b>
		<b>£</b>	<b>£</b>
	Monies received in advance	11,000	11,000
	Other creditors	676	646
		<hr/>	<hr/>
		11,676	646
		<hr/> <hr/>	<hr/> <hr/>
<b>7</b>	<b>Statement of funds</b>		
			<b>General</b>
			<b>reserve</b>
			<b>£</b>
	<b>Unrestricted funds</b>		
	Balance at 1 January 2007		48,451
	Incoming resources		6,747
			<hr/>
			55,198
	Resources expended		(12,613)
	Loss on revaluation of investments		(1,563)
			<hr/>
	Balance at 31 December 2007		41,022
			<hr/> <hr/>