

Charity Number: 1002876

**THE SAUDI BRITISH SOCIETY**  
**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**

**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 2009**

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The trustees present their annual report with the financial statements of the charity for the year ended 31 December 2009.

<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>	Mr Michael Brigden BSocSc, ACIB
<b>Trustees</b>	Sir Alan Munro KCMG Mr Christopher Owen Jones Mrs Ionis V Thompson Mr Anthony Bailey OBE, KCSS Mr Michael Brigden BSocSc, ACIB Brigadier Nicholas Cocking Mr Mu'awiya Derhalli Mr Hassan Khayat Mrs Caroline Montagu Dr Samira Osailan Mr Abdullah Husaini Mr David Lloyd Dr Bader Ghouth Mr Abdulrahman al Suhaibani
<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 2009**

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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.

In planning its activities for the year, the Society's trustees have considered the Charity Commission's general guidance on public benefit.

The Society's activities have included receptions for important visitors, dinners, exhibitions and lectures. 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 2009**

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#### **Achievements and Performance**

In January 2009 the third two Al Rawabi Group prizes for outstanding contribution to Saudi-British relations were presented. The winners were Mr Michael Rice and Mr. William Facey. Mr Rice received his prize for his long connection with the Kingdom, in particular his work on setting up regional museums throughout Saudi Arabia and his continuing advice in the cultural and historical fields. Mr Facey's connection with the Kingdom (also dating from the 1970s when he, too, was involved in setting up museums) was recognised, in particular his scholarly books on aspects of the Kingdom's history and the publications he now produces on Saudi Arabia and other Arabian countries. The event was marked with a ceremony and buffet supper at the Institute of Directors.

The year also saw an interesting programme of talks. In March 2009, Sir William Patey, British Ambassador to Saudi Arabia, gave a stimulating talk on change and the outlook for Saudi Arabia. The Society's Annual General Meeting in July 2009 was followed by a 1960s film of Saudi Arabia and a talk by Prince Abdullah bin Faisal bin Turki and by a buffet reception. The Society are planning to broaden the scope of the talks and discussion sessions in the year ahead.

In 2009, the Society organised a very successful visit to Saudi Arabia, which was well supported and they propose to arrange another visit in the coming year. Last year's visit was led by the Chairman and Honorary Secretary.

The Society has been working actively to identify and contact members of the Saudi student body, who are invited to attend meetings, and given concessionary membership rates.

#### **Financial review**

The attached financial statements summarise the Society's transactions for the year ended 31 December 2009. The Trustees recognised in 2008 that expenditure exceeded income, and undertook a review of financial policy. The results can be seen in the greatly improved financial situation this year.

#### **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. The Society has continued to hold its investment funds. The trustees consider the decline in value of the funds to be disappointing, but unsurprising given the current economic downturn.

#### **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.

**THE SAUDI BRITISH SOCIETY**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**

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**Plans for Future Periods**

The fourth annual Al Rawabi Holdings Prizes were presented in January 2010. Further talks on a range of topics are planned for 2010.

**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 ..... 2010 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 2009, 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: ..... 2010

**THE SAUDI BRITISH SOCIETY****STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**

	<u>Notes</u>	<u>Unrestricted funds</u>	
		<u>2009</u>	<u>2008</u>
		<u>£</u>	<u>as restated</u>
			<u>£</u>
<b>Incoming resources</b>	1.2		
Subscriptions and contributions receivable		5,997	4,362
Al Rawabi Group Prize income		14,000	14,000
Donations received		5,000	90
Bank interest received		-	23
Other income		1,057	594
		<hr/>	<hr/>
<b>Total incoming resources</b>		26,054	19,069
		<hr/>	<hr/>
<b>Resources expended</b>			
Costs of generating funds	1.3, 2	18,005	19,016
<b>Charitable expenditure</b>			
Charitable activities	1.3, 3	4,190	5,306
Governance costs	1.3, 3	973	753
		<hr/>	<hr/>
<b>Total resources expended</b>		23,168	25,075
		<hr/>	<hr/>
<b>Net incoming/(outgoing) resources before other recognised gains and losses</b>		2,886	(6,006)
<b>Other recognised gains and losses</b>			
Profit/(loss) on revaluation of investments	5	6,341	(4,806)
		<hr/>	<hr/>
<b>Net movement in funds</b>		9,227	(10,812)
<b>Reconciliation of funds</b>			
Total funds brought forward		27,210	38,022
		<hr/>	<hr/>
<b>Total funds carried forward</b>		<u>36,437</u>	<u>27,210</u>

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 2009**

	<u>Notes</u>	<u>Unrestricted funds</u>			
		<u>2009</u>	<u>2008</u>		
		<u>£</u>	<u>£</u>	<u>as restated</u>	<u>£</u>
<b>Fixed assets</b>					
Investments	5		24,973		18,631
<b>Current assets</b>					
Cash at bank and in hand		26,263		23,274	
<b>Creditors: amounts falling due within one year</b>	6	(14,799)		(14,695)	
<b>Net current assets</b>			11,464		8,579
<b>Total assets less current liabilities</b>			36,437		27,210
<b>Funds</b>					
General fund	7		36,437		27,210

Approved by the trustees and signed on their behalf:-

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

Date: ..... 2010

# **THE SAUDI BRITISH SOCIETY**

## **NOTES TO THE FINANCIAL STATEMENTS** **FOR THE YEAR ENDED 31 DECEMBER 2009**

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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 April 2008). 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>2009</u></b>	<b><u>2008</u></b>
	<b>£</b>	<b>£</b>
Al Rawabi Group Prize	10,000	10,000
Receptions and annual dinner	8,005	7,647
Lecture and promotional costs	-	1,369
	<hr/>	<hr/>
	<b>18,005</b>	<b>19,016</b>
	<hr/> <hr/>	<hr/> <hr/>

**THE SAUDI BRITISH SOCIETY****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2009**

<b>3 Charitable expenditure</b>	<b><u>2009</u></b>	<b><u>2008</u></b>
	<b>£</b>	<b>£</b>
<b>Charitable activities</b>		
Staff costs		
- administrator's salary	2,600	2,700
Office costs	1,340	2,106
Donations paid	250	500
Other costs	-	-
	<u>4,190</u>	<u>5,306</u>
<b>Governance costs</b>		
Accountancy fees	<u>973</u>	<u>753</u>

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 (2008: 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 2008.

**5 Fixed asset investments**

	<b><u>Investment</u></b>
	<b><u>funds</u></b>
	<b>£</b>
At 1 January 2009	18,632
Revaluation	6,341
	<u>24,973</u>

<b>6 Creditors: amounts falling due within one year</b>	<b><u>2009</u></b>	<b><u>2008</u></b>
	<b>£</b>	<b>£</b>
Monies received in advance	14,000	14,000
Other creditors	799	695
	<u>14,799</u>	<u>14,695</u>

**THE SAUDI BRITISH SOCIETY**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**

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7 Statement of funds

	<b><u>General reserve</u></b>
<b>Unrestricted funds</b>	<b>£</b>
Balance at 1 January 2009	27,210
Incoming resources	26,054
	<hr/> 53,264
Resources expended	(23,168)
Loss on revaluation of investments	6,341
	<hr/> 36,437
Balance at 31 December 2009	<hr/> <hr/> 36,437