

THE NUCLEAR EDUCATION TRUST
(Company limited by guarantee no. 5530662
registered charity no. 1118373)

REPORT AND FINANCIAL STATEMENTS

Year ended 31 December 2007

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THE NUCLEAR EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

For the year ended 31 December 2007

Trustees Rodney Bickerstaffe (appointed 15 July 2007)
Madeline Held (appointed 15 July 2007)
Kate Hudson
Linda Hugi
John Hull (appointed 15 July 2007)
Alice Mahon (appointed 15 July 2007)
Prof Paul Rogers (appointed 15 July 2007)
Llewellyn Smith (appointed 15 July 2007)
Joseph Sturge (appointed 15 July 2007)

Secretary Joseph Sturge

Company reg. no. 5530662

Charity reg. no. 1118373

Registered office 162 Holloway Road
London
N7 8DQ

Accountants Gotham Erskine LLP
Friendly House
52 - 58 Tabernacle Street
London EC2A 4NJ

Bankers The Co-operative Bank PLC
1 Islington High Street
London
N1 9TR

Solicitors Russell-Cooke
2 Putney Hill
London
SW15 6AB

THE NUCLEAR EDUCATION TRUST

TRUSTEES' REPORT

For the year ended 31 December 2007

The Trustees, who are also directors of the Charity for the purposes of company law, submit their annual report and the financial statements of The Nuclear Education Trust for the year ended 31 December 2007. The Trustees confirm that the annual report and financial statements of the Charity comply with current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities (revised 2005)'.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity was incorporated as a company limited by guarantee on 8 August 2005 and was registered as a charity on 14 March 2007. Its governing document is its memorandum and articles of association. The Trustees comprise the Chair and Treasurer of the Campaign for Nuclear Disarmament (CND), up to one other CND member and up to 6 other people elected by the Charity's members.

OBJECTIVES AND ACTIVITIES

The objects of the Charity are to advance education by promoting the study and understanding of, and research into, arms control and disarmament, defence and security, with an emphasis on nuclear weapons and other weapons of mass destruction.

The Charity was initially funded by a loan of £500 from the Campaign for Nuclear Disarmament (CND) and during 2006 CND agreed to vary, in favour of the Charity, a legacy which it had been given to the extent of £120,000. This has enabled the Charity to claim back £77,244 inheritance tax. Both these sums were received during 2007 and have enabled the Charity to commence its activities.

In its first year of activity the Charity aimed to set up its financial and administrative processes. The Charity also aimed to initiate its educational work by making grants to suitable individuals and organisations, and to define the role of its academic panel.

ACHIEVEMENTS AND PERFORMANCE

Administration

The first AGM of the Charity saw the formal election of new Trustees, previously agreed with the Charity Commission, to add to those named in the incorporation application. At its first meeting, the Trustees elected an officer team of Chair, Vice-Chair, Company Secretary and Treasurer. The officer team manages the activity of the Charity and, as it does not employ its own staff, the Charity outsources the day to day administration to CND. All basic administration, fundraising, data protection, book keeping duties are outsourced.

CND holds the skill set required by the Charity and was readily available to carry out these services. The Charity was mindful of the need to ensure that the cost of the outsourcing was commensurate with market rates for the work and remuneration was calculated independently by the accountant. Overheads were assessed conservatively and the amounts paid to CND do not include a profit element. The Trustees concluded that paying CND to deliver basic services was in the best interests of the Charity.

Grant application process

The grant application form and grant conditions, provisionally proposed in the application for charitable status were formally adopted. An annual timetable for grant submissions was prepared.

TRUSTEES' REPORT

For the year ended 31 December 2007

Academic panel

Terms of Reference were established for an academic panel. It will fulfil a consultancy role, to provide advice on grant applications that lie outside the expertise of the Trustees. The panel will also be asked to review or comment on research work where appropriate.

Grant applications

The Charity made its first grant awards during 2007, mostly for work to be undertaken in 2008. The applications were from CND for funding for peace education work in schools, an accompanying peace education video, research briefings and a global disarmament conference; and from the London School of Economics and Political Science (LSE) for funding for work on the CND archives.

a. Peace Education

A primary concern of the Charity is to make nuclear issues accessible to all regardless of age and ability and the application from CND to fund its continuing Peace Education activities provided a significant opportunity to commence this work that was readily accepted. The application was a comprehensive proposal for development of a pack for use in schools that would be complementary to the national curriculum and would include a DVD. Other materials proposed include briefings and kits for use in school assemblies. Materials will be prepared that are suitable for people with a range of learning styles and focused on active learning and co-operation. Young people will be provided with accurate and balanced information and supported to make their own decisions on these important issues.

The issues to be included in the pack will provide a basic foundation of knowledge about nuclear weapons and the debates surrounding them; they will be topics that will grab young people's interest that could be used across the curriculum. Four themes have been planned: conflict and nuclear weapons, the ethics of nuclear weapons, the effects of nuclear explosions and nuclear accidents and the history of peace symbols. Areas of the curriculum that the pack will cover include: Citizenship, Religious Education, History, English, Art and General Studies, for key stages 3 & 4 and some 'A' level work. Feedback on the pack will be continually requested and received from current teachers, ex-teachers, academic professionals and school students.

Wide dissemination of the pack is essential. Promoting the pack will be achieved by attendance at teacher and educational conferences, and at more specialist peace education conferences. Teachers and citizenship/RS advisors will be contacted and adverts and articles placed in teaching publications. The Peace Education pack will also be available on various websites.

b. Nuclear weapons briefings

The technical aspects of nuclear weapons issues are often quite complex and not readily accessible. An application was therefore accepted from CND to fund the research needed for the preparation of three briefings in a form readily accessible to the general public. The briefings will focus on i) issues surrounding the replacement of the UK's Trident nuclear weapons system; ii) global nuclear weapons stocks and current policies of nuclear weapons states; and iii) US Missile Defence plans and likely consequences. The briefings will be available from the Charity's website once completed.

TRUSTEES' REPORT

For the year ended 31 December 2007

c. Global Summit Conference

A substantial grant was made to CND to part-fund an international conference for a nuclear weapons free world in London in 2008. The conference aims to increase knowledge of the issues involved in working towards the achievement of a Nuclear Weapons Convention, which calls for the abolition of all nuclear weapons across the world. Diplomats of international repute and activists from across the world will take part in the conference. The international standing of the conference delegates was key to the success of the grant application. It increased the likelihood of participation by government officials and opinion formers and the likelihood of an increased knowledge of the event and the issues it raises amongst the general public, thus fulfilling a priority of the Charity. The Joseph Rowntree Charitable Trust and the Barry Amiel and Norman Melburn Trust joined the Charity in funding this event.

d. CND Archives

The recording and preservation of archive collections provides an educational resource of great benefit for future historians and interested parties. The Charity welcomed an application to fund work on the CND archives by the LSE, a prestigious institution of national and international repute. LSE archivists will create a touring and online exhibition using digitised material from the CND archive. It is part of a much larger LSE project, which LSE will fundraise for separately, combining CND's administrative records with posters, leaflets and photographs to create a comprehensive archive at LSE. LSE will promote accessibility and use of the archive among researchers and the general public with the aim of providing a broad understanding of the peace movement's impact since 1958. This basic research has the additional potential of providing material for the peace education pack and areas of the curriculum such as citizenship that are applicable.

PLANS FOR FUTURE PERIODS

In the forthcoming year the Charity intends to develop its own distinct public identity by launching its own website and designing promotional materials; it also intends to develop a fundraising strategy. The Charity plans to establish its academic panel and to define more clearly its sub-objectives and priorities and consequently review its grant application process. The Charity will seek to meet its educational objectives by soliciting and supporting relevant grant applications.

FINANCIAL REVIEW

Details of income and expenditure are given in the Statement of Financial Activities on page 7. The Charity used the legacy received in 2006, as described above, to fund the grants described above.

The Trustees agreed a reserves policy, see below, and put into place a system of financial controls. The Trustees provided authorisation for its officers to take legal and financial advice and set budgets for the officers to work within. A designated fund was set up for work in Scotland and in Wales in recognition of legacy income that might be varied in favour of the Charity by Scottish CND and CND Cymru.

Reserves Policy

NET is a grant-giving charity and as such has minimal committed expenditure. Its income largely comes from legacy income which is not under its control and it will only make grants where there are appropriate applications falling within its remit. As a result, reserves are less under the control of NET than is the case with other charities. When the Charity has resources available it will seek out appropriate projects that can be supported to ensure that funds are not left unspent for longer than necessary. At the same time, it is the policy of the Trustees to retain sufficient reserves, where possible, to enable the Charity to respond to particularly worthwhile grant applications. As a new charity the Trustees consider that it is necessary to build up experience of income-flows and grant applications before agreeing a specific level of reserves to hold back; this will be reviewed after the Charity's first 5 years of operation.

THE NUCLEAR EDUCATION TRUST

TRUSTEES' REPORT

For the year ended 31 December 2007

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of The Nuclear Education Trust for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company and charity law applicable to charities in England/Wales requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the Charity and of the surplus or deficit of the Charity for that period. 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,
- prepare the financial statements on the going concern basis (unless it is inappropriate to presume that the Charity will continue in operation).

The Trustees are responsible for keeping proper accounting records that 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 Companies Act 1985. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the detection and prevention 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 United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

SMALL COMPANY SPECIAL PROVISIONS

The report of the Trustees has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved, and authorised for issue, by the Trustees on 2 September 2008 and signed on their behalf by:

LINDA HUGL

Treasurer

**REPORTING ACCOUNTANTS' REPORT
TO THE MEMBERS ON THE UNAUDITED ACCOUNTS OF
THE NUCLEAR EDUCATION TRUST**

We report on the financial statements for the year ended 31 December 2007 set out on pages 7 to 7.

Respective responsibilities of Trustees and reporting accountants

As described on page 5 the Trustees, who are the directors of The Nuclear Education Trust for the purposes of company law, are responsible for the preparation of the financial statements, and consider that the Charity is exempt from the requirements for an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial statements with the accounting records kept by the Charity, and making such limited enquiries of the officers of the Charity as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- (a) the financial statements for the period ended 31 December 2007 are in agreement with the accounting records kept by the Charity under section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - i. the financial statements have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - ii. the Charity satisfied the conditions for exemption from an audit of the financial statements for the year specified in section 249A(4) of the Act as modified by section 249A(5) and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).

Gotham Erskine LLP
Chartered Accountants
Friendly House
52 - 58 Tabernacle Street
London EC2A 4NJ

Date:

THE NUCLEAR EDUCATION TRUST (company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2007

	2007	2006
	£	£
INCOMING RESOURCES		
Donations	4,058	-
Legacy income including Inheritance Tax recovery	-	197,244
Interest receivable:		
Bank interest	5,391	1
Interest on Inheritance Tax recovery	4,551	-
Interest from legacy held by CND	1,886	-
TOTAL INCOMING RESOURCES	15,886	197,245
RESOURCES EXPENDED		
Grant payable to Campaign for Nuclear Disarmament (see Notes below)	114,500	-
Grant payable to the London School of Economics	20,000	-
Management charge	616	-
Meetings and gatherings	151	-
Legal and professional fees	10,317	-
Fees payable to reporting accountants:		
Reporting accountants' report fee	846	-
Advice and assistance	1,363	-
TOTAL RESOURCES EXPENDED	147,793	-
Net income/(expenditure)	(131,907)	197,245
TOTAL FUNDS AT 1 JANUARY 2007	197,245	-
TOTAL FUNDS AT 31 DECEMBER 2007	£ 65,338	£ 197,245

NOTES

All grants payable to Campaign for Nuclear Disarmament have been made for its charitable work in pursuit of the Charity's objects.

The Charity has never received any restricted income.

All costs relating to the Charity before 2007 were met initially by the Campaign for Nuclear Disarmament.

The annexed notes form part of these financial statements

THE NUCLEAR EDUCATION TRUST (company limited by guarantee)

BALANCE SHEET
As at 31 December 2007

	Notes	2007 £	2006 £
CURRENT ASSETS			
Debtors	3	2,821	197,244
Cash at bank and in hand		158,501	501
NET CURRENT ASSETS		161,322	197,745
CREDITORS: amounts falling due within one year	4	(95,984)	(500)
NET CURRENT ASSETS		£ 65,338	£ 197,245
UNRESTRICTED FUNDS			
Designated fund - Scottish fund	5	10,620	-
General fund	5	54,718	197,245
		£ 65,338	£ 197,245

The Trustees are satisfied that the Charity is entitled to exemption under Section 249A(1) of the Companies Act 1985 and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the Charity keeps proper accounting records which comply with Section 221 of the Companies Act 1985; and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the Charity as at the end of the financial year and of its income and expenditure for the financial period in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the Charity.

The financial statements have been prepared in accordance with the provisions of Part VII of the Companies Act 1985 relating to small companies and the Financial Reporting Standard for Smaller Entities (effective January 2007). They were approved, and authorised for issue, by the Trustees on 2 September 2008 and signed on their behalf by:-

KATE HUDSON, Chair

LINDA HUGL, Treasurer

The annexed notes form part of these financial statements

THE NUCLEAR EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2007

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards, "Accounting and Reporting by Charities: Statement of Recommended Practice (revised 2005)" (the Charities SORP) and the Financial Reporting Standard for Smaller Entities (effective January 2007).

The effects of events relating to the year ended 31 December 2007 which occurred before the date of approval of the financial statements by the Trustees has been included in the financial statements to the extent required to show a true and fair view of the state of affairs at 31 December 2007 and the results for the year ended on that date.

Company status

The Nuclear Education Trust is a company limited by guarantee. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Legacy income is included in the Statement of Financial Activities when the legacy has been received or, if earlier, when it becomes reasonably certain that the legacy will be received and its value can be measured with sufficient reliability (for example if advance notification of a distribution is received from the executors).

Resources expended

All expenditure is accounted for on an accruals basis. Grants payable are accounted for when a commitment has been established, normally following agreement by the Trustees and notification to the beneficiary.

2. TRUSTEES

During the year, no Trustees received any remuneration (2006 - £NIL). 3 Trustees received reimbursement of expenses amounting to £111, towards travel expenses (2006 - £NIL).

3. DEBTORS AND FUTURE LEGACY INCOME

	2007	2006
Due within one year	£	£
Interest receivable	2,766	-
Legacy due from Campaign for Nuclear Disarmament	-	120,000
Inheritance tax recovery due from HM Revenue and Customs	-	77,244
Prepayments	55	-
	<u>£ 2,821</u>	<u>£ 197,244</u>

Following the year-end Campaign for Nuclear Disarmament varied a legacy due to it in the Charity's favour. The precise amount receivable is not yet known pending completion of negotiations over the Inheritance Tax liability but the amount to be received by the Charity is likely to be over £300,000.

THE NUCLEAR EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2007

4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2007	<i>2006</i>
	£	£
Grants payable to Campaign for Nuclear Disarmament for 2008:		
Grant for Peace education work	54,000	-
Grant for Global Disarmament Summit	18,000	-
Grant for Research Briefings	15,500	-
	87,500	-
Grants payable to Campaign for Nuclear Disarmament for 2007	7,000	-
Other amounts due to Campaign for Nuclear Disarmament	638	<i>500</i>
Accruals	846	-
	£ 95,984	<i>£ 500</i>

5. STATEMENT OF FUNDS

	Brought Forward	Incoming Resources	Resources Expended	Transfers	Carried Forward
	£	£	£	£	£
Designated Scottish fund	-	-	-	10,620	10,620
General fund	197,245	15,886	(147,793)	(10,620)	54,718
	£ 197,245	£ 15,886	£ (147,793)	£ Nil	£ 65,338

The Trustees have set up a designated fund to represent funds earmarked for the Charity's work in Scotland.

All year-end fund balances are represented by net current assets.