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**CIVITAS LIMITED**  
**THE INSTITUTE FOR THE STUDY OF CIVIL SOCIETY**  
**(Registered Charity number 1085494)**  
**(Company limited by Guarantee, Registration number 4023541)**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 2006**

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**Trustees/Directors of the Charitable Company**

<b>Chairman</b>	The Honourable Justin Shaw
<b>Deputy Chairman</b>	Sir Peter Walters
<b>Treasurer</b>	Dr Philip Brown
	Patrick Barbour
	The Hon Mrs Silvia Le Marchant
	Professor Kenneth Minogue
	Douglas Myers CBE
	Lord Vinson of Roddam Dene

**Other Officers of the Charity**

<b>Executive Director</b>	Dr David Green
<b>Deputy Director</b>	Robert Whelan

<b>Company Secretary</b>	Dr David Green
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<b>Registered Office</b>	77 Great Peter Street London SW1P 2EZ
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<b>Website Address</b>	<a href="http://www.civitas.org.uk">www.civitas.org.uk</a>
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<b>Bankers</b>	Barclays Bank plc Pall Mall Corporate Banking Centre PO Box 15163 London SW1A 1QD
	The Cooperative Bank PO Box 250 Skelmersdale WN8 6WT
	COIF Charities Deposit Fund CCLA Investment Management Limited 80 Cheapside London EC2V 6DZ

<b>Independent Auditors</b>	CLB Littlejohn Frazer Chartered Accountants and Registered Auditors 1 Park Place Canary Wharf London E14 4HJ
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<b>Charity Registration Number</b>	1085494
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<b>Company Registration Number</b>	4023541
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The Trustees (who are also the Directors of the Charitable Company Limited by Guarantee) present their report for the year ended 31 December 2006. The presentation of the Financial Statements reflects the requirements of the Charities SORP (issued in March 2005), the Companies Act 1985, and the Charity's governing document as outlined below.

### **Statement of Trustees' Responsibilities**

The Trustees are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law 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 Company and of the surplus or deficit of the Company for that period. In preparing these 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;
- state whether applicable accounting standards have been followed;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation.

The Trustees are responsible for keeping proper accounting records, for safeguarding the assets of the Company and for the prevention and detection of fraud and other irregularities.

### **Constitution and Objectives**

Civitas Limited, also known as the Institute for the Study of Civil Society, is established under its Memorandum and Articles of Association dated 29 June 2000 and amended on 23 November 2000, and is a registered charity, number 1085494.

Details of the Company's current Trustees, other Officers and Advisors are set out on page 2. In addition, Professor Harold Rose was also a Trustee until his resignation on 23 May 2006.

Under the Company's Memorandum of Association, the Charity is established to advance the study and understanding of religion and ethics in Society and any other charitable purpose.

### **Organisation of the Charity**

The Trustees supervise the management and administration of the Charity. The day to day running of the Charity is delegated to the Executive Director and his Deputy.

Trustees with relevant experience and expertise are recruited on merit from among those with a demonstrated commitment to the aims of the charity.

### **Review of the Year's Achievements and Performance**

As stated above, the Charity's principal objectives are to advance the study and understanding of religion and ethics in Society. In order to achieve its objectives the Charity does the following:

- Discovers solutions to social problems.
- Implements pioneering projects to demonstrate what can be accomplished.
- Supplies schools with teaching materials and guest speakers.
- Supports informed public debate and encourages consensus by:
  - Providing accurate factual information on today's social issues.
  - Publishing informed comment and analysis.
  - Bringing together leading protagonists in open discussion.

In 2006 the Charity's objectives were achieved by the following activities:

The issue of the following publications:

- "Institutional Injustice" by Martin Mears (January)
- "The Retreat of Reason" by Anthony Browne (January)
- "England and the Need for Nations" by Roger Scruton (2nd edition) (February)
- "Family Policy, Family Changes" by Patricia Morgan (March)
- "Inspection Inspection Inspection!" by Anastasia de Waal (July)
- Civitas Review: "How France Has Undermined the European Project", by Wil James and Gregory Lowe (August)
- "The NHS and the NHS Plan: Is the extra money working?" (Online report) by James Gubb (August)
- "We're (Nearly) All Victims Now" by David Green (October)
- EU Facts CD Rom (October)
- "The West, Islam and Islamism" by John Marks and Caroline Cox (2nd edition) (November)

The holding of the following seminars:

- Oliver Letwin - 'Redistribution and narrowing the gap between the rich and poor' (March)
- Frank Prochaska, Andreas Whittam-Smith, Ferdinand Mount and Frank Field - a half day conference was held at the Reform Club on the topic of 'Churches and Welfare' (March)
- David Willets - 'Choice in education' (March)
- Paul Corrigan - 'Health care reform' (March)
- Graeme Catto - 'Regulation of the medical profession' (April)
- Ziauddin Sardar (author of *Desperately Seeking Paradise*) - 'The compatibility of Islam and Democracy' (April)
- Bernard Ribeiro (President of the Royal College of Surgeons) - 'NHS funding and social insurance' (May)
- Geoff Dench - 'Poverty in the new East End of London' (May)
- Paul Evans (Home Office) - 'Neighbourhood policing' (September)
- Michael Gove MP - 'Celsius 7/7' (October)
- Frank Field MP - 'Welfare reform' (October)
- John Denham MP - 'Immigration' (November)
- Melanie Phillips - 'Londonistan' (November)
- Brian Beedham and Douglas Carswell MP - 'Direct democracy' (December)

School talks and debates:

A total of over 140 EU-sceptical talks or debates were held in schools across the country. 250 speakers have now made themselves available for the programme.

The first Civitas National 6th Form Conference on the EU, themed "Emerging from its period of reflection: What does the future hold for the EU?", was held at the Emmanuel Centre, Westminster, in March 2006. Over 700 sixth formers attended.

School factsheets:

Over 200 copies of EU Facts were sent out to 150 sixth forms who requested it. Teachers are finding it useful, as this comment from a school in Lincolnshire testifies: "It's good to see an organisation that appreciates the needs of schools by supplying usable material, rather than just 'ideas'".

The New Model School:

Because policy makers have been so slow to raise standards for the poorest half of the population, we have founded the New Model School to bring private education within the reach of the vast majority of parents by making primary education available for under £5,000 a year in London (less outside). In addition, we aim to show that direct teaching by traditional methods is more effective than teaching based on 'discovery', under which children are supposed to learn for themselves with the teacher as facilitator, rather than a professional who imparts knowledge. The first new model school was established on a small scale in September 2004 in Queens Park. We are now seeking to expand it in the hope of developing a model that can be emulated elsewhere.

#### Supplementary schools:

The supplementary schools compensate for inadequate state education in inner city areas. One of the groups most affected by poor quality schools is immigrant children and, among them, outcomes for Bangladeshi children have on average been particularly poor. We are currently providing two Saturday morning classes for mainly Bangladeshi children. At the summer school in 2006, the average reading age of the children increased by 9 months.

The King's Cross Saturday School continues to operate successfully. The after-school lessons at King's Cross have been running on Tuesday and Wednesday evenings since October 2006. We have two special needs teachers to work individually with the children who are especially struggling. We are seeing improvements: some of the ten year olds, who were significantly behind a few months ago, are now confidently working through algebra equations normally suited to those studying for GCSEs. In the February half-term we are holding classes for three hours each day for the children from the Tuesday, Wednesday and Saturday classes.

The work at the London Boxing Academy is challenging but is making a difference to the students, who are all teenagers who have been excluded from state schools. Three teachers provide intensive maths, English, ICT and art lessons to eight students. The students find it difficult to concentrate and require a lot of individual attention but the change in academic performance and attitude since last term is encouraging.

These activities are continuing in 2007.

#### Financial Position and Reserves Policy

At 31 December 2006 the Company had net assets of £786,056 (2005 - £644,071), represented by unrestricted general purpose funds of £446,190 (2005 - £486,015) and restricted funds of £339,866 (2005 - £158,056). These are considered available and adequate to fulfil the obligations of the charity for the foreseeable future.

The policy of the Trustees is to maintain a financial reserve up to the equivalent of an average year's expenditure, to be exceeded only for specified purposes such as provision for premises or projects subject to restricted funding.

#### Risk Management

The Trustees confirm that they have identified and reviewed the major risks to which the Charity is exposed, and have established systems to mitigate those risks.

The principal risk facing the Charity is that it does not raise sufficient income to be able to cover the cost of charitable activities and governance costs.

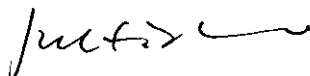
#### Disclosure of Information to Auditors

So far as each Trustee is aware, there is no relevant audit information of which the Company's auditors are unaware, and each Trustee has taken all the steps that he ought to have taken as a Director of the Company in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

#### Auditors

A resolution proposing the reappointment of CLB Littlejohn Frazer as auditors to the charity for the ensuing year will be proposed at the Annual General Meeting.

On behalf of the Trustees



**The Honourable Justin Shaw**  
Chairman

17 May 2007

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CIVITAS LIMITED**

We have audited the Financial Statements of Civitas Limited for the year ended 31 December 2006, which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes numbered 1 to 9. These Financial Statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective Responsibilities of Trustees and Auditors**

The Trustees' responsibilities for preparing the Financial Statements in accordance with applicable law, United Kingdom Accounting Standards and the Charities' Statement of Recommended Practice (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the Financial Statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the Financial Statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether, in our opinion, the information given in the Trustees' Report is consistent with the Financial Statements.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Trustees' remuneration and other transactions is not disclosed.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of Opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland), issued by the Auditing Practices Board. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the Financial Statements. It also includes an assessment of the significant estimates and judgments made by the Trustees in the preparation of the Financial Statements, and of whether the Accounting Policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the Financial Statements.

**Opinion**

In our opinion the Financial Statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2006 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended, and have been properly prepared in accordance with the Companies Act 1985. In our opinion the information given in the Trustees' Report is consistent with the Financial Statements.



**CLB Littlejohn Frazer**  
Chartered Accountants  
and Registered Auditors  
18 May 2007

1 Park Place  
Canary Wharf  
London E14 4HJ

**CIVITAS LIMITED**  
**THE INSTITUTE FOR THE STUDY OF CIVIL SOCIETY** (incorporating an Income and Expenditure Account)  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**Year ended 31 December 2006**

Income and Expenditure	Note	2006 Unrestricted Funds	2006 Restricted Funds	2006 Total Funds	2005 Total Funds As restated
<b>Incoming Resources</b>					
Incoming resources from generated funds:					
Voluntary income - Donations		197,768	312,962	510,730	384,866
Activities for generating funds:					
- Membership programme		21,212	-	21,212	20,092
- Subscriptions		4,116	-	4,116	6,748
Investment income - Interest and dividends receivable		28,914	-	28,914	26,886
Incoming resources from charitable activities:					
- Conference		3,331	-	3,331	-
- Publication sales		134,942	-	134,942	97,755
- Sundry income		597	546	1,143	2,937
<b>Total Incoming Resources</b>		<b>390,880</b>	<b>313,508</b>	<b>704,388</b>	<b>539,284</b>
<b>Resources Expended</b>					
Cost of generating funds:					
- Marketing		16,719	-	16,719	11,658
Charitable activities:					
- European Relations Project		-	35,558	35,558	25,090
- Family Studies Project		-	5,676	5,676	-
- Governance Project		-	-	-	143,300
- Health Alternatives Project		-	3,760	3,760	33,128
- New Model School Projects		-	-	-	67,331
- Our Island Story Project		-	7,474	7,474	10,130
- Supplementary Schools Project		-	46,745	46,745	-
- Book publishing		26,841	-	26,841	75,105
- Seminars and meetings		9,437	-	9,437	10,194
- Research		290,856	-	290,856	168,272
Governance costs	2	343,853 87,522	99,213 -	443,066 87,522	544,208 91,031
<b>Total Resources Expended</b>		<b>431,375</b>	<b>99,213</b>	<b>530,588</b>	<b>635,239</b>
<b>Net (Outgoing)/Incoming Resources for the Year</b>		<b>(40,495)</b>	<b>214,295</b>	<b>173,800</b>	<b>(95,955)</b>
<b>Other Recognised Gains and Losses</b>					
Realised loss on disposal of investment asset	5	-	-	-	(36)
Unrealised surplus on investment asset	5	670	-	670	1,213
<b>Net Movement in Funds</b>		<b>(39,825)</b>	<b>214,295</b>	<b>174,470</b>	<b>(94,778)</b>
Fund balances brought forward		486,015	125,571	611,586	706,364
<b>Fund balances carried forward</b>	8	<b>£446,190</b>	<b>£339,866</b>	<b>£786,056</b>	<b>£611,586</b>

The Company has no recognised gains or losses other than as stated above. All of the activities represent continuing activities of the Charity.

The Accounting Policies and Notes on pages 9 to 13 form part of these Financial Statements.

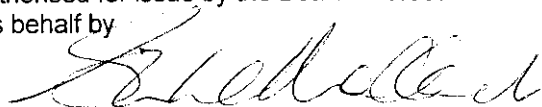


**CIVITAS LIMITED**  
**THE INSTITUTE FOR THE STUDY OF CIVIL SOCIETY**

**BALANCE SHEET**  
**At 31 December 2006**

	Note	2006	2005 As restated
<b>Fixed Assets</b>			
Tangible fixed assets	4	3,026	6,781
Fixed asset investments	5	6,194	5,524
		<hr/>	<hr/>
		9,220	12,305
<b>Current Assets</b>			
Stock of books for resale		22,230	35,322
Loan to New Model School (due after one year)	9	69,648	17,515
Sundry debtors		16,856	12,732
Income tax recoverable		-	3,131
VAT recoverable		6,556	5,297
Staff season ticket loans		342	1,113
Cash at bank and in hand		782,133	634,065
		<hr/>	<hr/>
		897,765	709,175
<b>Creditors: Amounts Falling Due Within One Year</b>			
Sundry creditors		10,123	50,585
Tax and social security costs		10,806	9,309
		<hr/>	<hr/>
		20,929	59,894
<b>Net Current Assets</b>		<hr/>	<hr/>
		876,836	649,281
<b>Total Assets less Current Liabilities</b>		<hr/>	<hr/>
		886,056	661,586
<b>Creditors: Amounts Falling Due After More Than One Year</b>			
Restricted purpose loan	6	100,000	50,000
<b>Net Assets</b>		<hr/>	<hr/>
		£786,056	£611,586
<b>Funds</b>			
Restricted funds	7	339,866	125,571
Unrestricted funds		446,190	486,015
		<hr/>	<hr/>
		£786,056	£611,586
		<hr/>	<hr/>

Approved and authorised for issue by the Board of Trustees on 17 May 2007  
and signed on its behalf by



**The Hon Mrs Silvia Le Marchant**

Trustee

The Accounting Policies and Notes on pages 9 to 13 form part of these Financial Statements.

**Basis of accounting**

The Financial Statements are prepared under the historical cost convention apart from fixed asset investments, which are stated at market value, and in accordance with the Companies Act 1985, the Charities Act 1993, the Statement of Recommended Practice, Accounting and Reporting by Charities (issued in March 2005), and applicable accounting standards. The specific accounting policies adopted are set out below.

**Incoming resources**

Donations and subscriptions are included as income as soon as they are received, unless the donor has imposed pre-conditions on the use of the funds, in which case the donations are carried forward until the pre-conditions are met. Grants and statutory funding are recognised once the resource is receivable by the charity and can be measured with reasonable reliability. Gifts in kind, such as assets given for use by the charity are recognised as income when received and are recorded at their estimated market value. Assets given for distribution by the charity are recognised as income when distributed. Voluntary help is not recognised in the Statement of Financial Activities.

**Resources expended**

All expenditure is accounted for on an accruals basis. Staff salaries are allocated to charitable activities or governance costs on a time-spent basis.

**Depreciation**

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset, less any residual value, evenly over its expected useful life. Office furniture and equipment has an expected useful life of between 3 and 5 years.

**Stocks**

Stocks are valued at the lower of cost and net realisable value.

**Operating leases**

Rentals paid under operating leases are charged to income as incurred.

**Taxation**

As a charity, Civitas Limited is generally exempt from taxation with the exception of Value Added Tax. The charity is registered for VAT and expenditure is stated excluding the related VAT.

**Fund accounting - restricted, designated and unrestricted funds**

Restricted funds comprise donations and grants that have been received for specific purposes or have been subject to specific conditions imposed by the donor. Designated funds comprise unrestricted funds set aside by the Trustees for specific purposes. Unrestricted funds may be used for the purposes of the charity at the Trustees' discretion.

**Investments**

Investments are included in the Financial Statements at their market value. Unrealised gains and losses are included in the Statement of Financial Activities and are computed by reference to the market value of the investments at the beginning of the year. Gains or losses arising from the sale of investments are shown as realised.

**Pension Contributions**

The Charity operates a defined contribution pension scheme for certain of its senior employees. The funds of the scheme are administered by Trustees and are separate from the Charity. Contributions are paid by the Charity and employees. The pension charge represents contributions payable by the Charity for the year. The Charity's liability is limited to the amounts of the contribution.

1. Information regarding Trustees and Employees	2006	2005
Staff costs:		
Wages and salaries, including benefits	309,856	285,825
Social security costs	32,741	30,179
Pension contributions	15,895	13,683
	<hr/>	<hr/>
	£358,492	£329,687
	<hr/>	<hr/>
The average number of persons employed by the Company during the year was:	12	10
	<hr/>	<hr/>

There was one employee with emoluments for the year in the range £80,000 to £90,000 (2005 – one between £80,000 and £90,000). In addition, the charity paid £9,471 (2005 - £8,400) in the year for the provision of money purchase pension benefits for this employee. No other employees received emoluments for the year in excess of £50,000 (2005 – Nil). The Trustees were not remunerated, and did not reclaim any expenses in the year (2005 – Nil).

2. Governance Costs

	2006 Unrestricted Funds	2006 Restricted Funds	2006 Total Funds	2005 Total Funds
Accountancy	1,290	-	1,290	1,603
Bad and doubtful debts	-	-	-	533
Bank charges	1,168	-	1,168	590
Depreciation	5,444	-	5,444	5,993
Independent auditors' remuneration	1,900	-	1,900	1,800
Insurance	663	-	663	-
Loss on disposal of tangible fixed assets	-	-	-	332
Postage	17,722	-	17,722	19,956
Rent	31,428	-	31,428	29,076
Staff salaries – administration	18,800	-	18,800	18,367
Stationery and computer supplies	6,011	-	6,011	6,599
Sundry expenses	1,533	-	1,533	4,627
Telephone	1,563	-	1,563	1,555
	<hr/>	<hr/>	<hr/>	<hr/>
	£87,522	£-	£87,522	£91,031
	<hr/>	<hr/>	<hr/>	<hr/>

3. Operating Lease Obligations

The minimum lease payments to which the Company is committed under a non-cancellable operating lease for the coming year total £39,120, of which £28,120 is on a property lease expiring more than five years from the balance sheet date (2005 - £28,120), and £11,000 is on a property lease expiring within one year from the balance sheet date (2005 - £Nil).

4. Tangible Fixed Assets	Office furniture and equipment
<b>Cost</b>	
At 31 December 2005	24,732
Additions	1,689
	<hr/>
At 31 December 2006	26,421
	<hr/>
<b>Depreciation</b>	
At 31 December 2005	17,951
Charge for the year	5,444
	<hr/>
At 31 December 2006	23,395
	<hr/>
<b>Net Book Value</b>	
At 31 December 2006	£3,026
	<hr/>
At 31 December 2005	£6,781
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The Company had no capital commitments at 31 December 2006 (2005 – Nil).

5. Fixed Asset Investments	2006	2005
<b>Quoted investments:</b>		
Market value at 31 December 2005	5,524	8,573
Disposals	-	(4,226)
Realised loss on investment sold	-	(36)
Increase in market value	670	1,213
	<hr/>	<hr/>
<b>Market value at 31 December 2006</b>	<b>£6,194</b>	<b>£5,524</b>
	<hr/>	<hr/>
Historical cost/original market value when donated to the Company	£4,794	£4,794
	<hr/>	<hr/>

#### 6. Restricted Purpose Loan

The Company has received a loan from a charitable trust for the purpose of supporting the development of the New Model School. The loan is unsecured, interest free, and has no fixed repayment date, although the trust has confirmed that no repayment would be sought until at least 1 January 2008, and only then if the New Model School has made a trading surplus and is able to repay all or part of its associated loan from the Company.

In the Company's financial statements for the year ended 31 December 2005, this loan and the associated loan to the New Model School were incorrectly shown as income and expenditure within restricted funds. The comparative figures in these financial statements have therefore been restated where necessary.

7. Restricted Funds	Balance at 31 December 2005 As restated	Income	Expenditure	Balance at 31 December 2006
Community Studies Project Fund	20,000	-	-	20,000
Dyslexia Bursary Fund	-	10,000	-	10,000
European Relations Project Fund	31,388	57,500	(35,558)	53,330
Family Studies Project Fund	-	16,000	(5,676)	10,324
Health Alternatives Project Fund	39,909	-	(3,760)	36,149
New Model School Bursary Fund	6,960	-	-	6,960
Our Island Story Project Fund	27,314	35	(7,474)	19,875
Supplementary Schools Project Fund	-	229,973	(46,745)	183,228
<b>Totals</b>	<b>£125,571</b>	<b>£313,508</b>	<b>£(99,213)</b>	<b>£339,866</b>

The Community Studies Project Fund was set up to support work on a study of the moral and cultural roots of a free society.

The Dyslexia Bursary Fund was set up to provide teaching support for young people with special educational needs, especially but not only, dyslexia.

The European Relations Project Fund was set up to provide a network of speakers for schools and universities on issues relating to our relations with other European countries, and to provide teaching materials about the EU for schools.

The Family Studies Project Fund was set up to advance study of the family and marriage.

The Health Alternatives Project Fund was set up to cover the cost of studying overseas health systems to discover the lessons for Britain.

The New Model School Bursary Fund was set up to provide educational opportunities for children from low-income backgrounds at the New Model School or elsewhere.

The Our Island Story Project Fund was set up to encourage schools to teach narrative history, especially by using the book, Our Island Story by H E Marshall.

The Supplementary Schools Project Fund was set up to support a network of supplementary schools held on Saturdays or after school on weekdays to teach mainly (but not only) English and maths to children who have fallen behind the expected standard for their age.

8. Analysis of Total Funds	Tangible Fixed Assets	Investments	Net Current Assets	Creditors Due After One Year	Total
<b>Restricted funds:</b>					
Community Studies Project Fund	-	-	20,000	-	20,000
Dyslexia Bursary Fund	-	-	10,000	-	10,000
European Relations Project Fund	-	-	53,330	-	53,330
Family Studies Project Fund	-	-	10,324	-	10,324
Health Alternatives Project Fund	-	-	36,149	-	36,149
New Model School Bursary Fund	-	-	6,960	-	6,960
New Model School Restricted Purpose Loan	-	-	100,000	(100,000)	-
Our Island Story Project Fund	-	-	19,875	-	19,875
Supplementary Schools Project Fund	-	-	183,228	-	183,228
	-	-	439,866	(100,000)	339,866
<b>Unrestricted funds</b>	3,026	6,194	436,970	-	446,190
<b>Total funds</b>	£3,026	£6,194	£876,836	£(100,000)	£786,056

#### 9. Related Parties

The Chairman of the Board of Trustees and the Deputy Director of Civitas Limited are both also Directors of The New Model School Company Limited ("New Model School"), a separate company set up during 2004 as a result of a Civitas project. Civitas has no interest in the shares issued by New Model School. The registered office of New Model School is at the same address as Civitas, and a member of staff of New Model School works at that office, although no contribution to rent is currently paid to Civitas. Civitas had no legal or financial obligations to New Model School as at 31 December 2006 (2005 – £Nil). Funds raised by Civitas for the benefit of the New Model School Project are spent at the discretion of Civitas, but funds received by way of the restricted purpose loan are loaned on to the New Model School when required and are only due for repayment once the New Model School has made a trading surplus and has sufficient working capital to enable it to make such repayment; at 31 December 2006 the amount owed to Civitas was £69,648 (2005 - £17,515). In March 2006, New Model School signed a three-year lease on its school premises, terminable on one-term's notice, at a rent of £13,575 per annum; Civitas, along with another unrelated party, is a guarantor of the rent paid on this lease by the New Model School (2005 - £13,575). In November 2006, New Model School took out a second, one-year, lease on adjoining premises at an annual rent of £12,000, and Civitas has agreed to pay this rent and the associated business rates on this property; during the year £1,000 was paid, shown as an expense in the New Model School Loan Fund within restricted funds (2005 – Nil). In addition, a charge of £5,000 was made to New Model School for the use of Civitas administration staff (2005 – Nil).