

# Annual Report 2009

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#### Chair's forward

As we at the Open Rights Group celebrate our fourth birthday we do so in a world where the issues and rights that our founders established us to inform and defend are now no longer the preserve of the fortunate few towards the top of the education and economic pile, but are of direct and every-day relevance to a growing majority of this country's population who touch the digital world whenever they search for information, listen to music, watch television, travel, walk through a city centre and live and vote in a democracy.

The Open Rights Group is now recognized as the leading organization campaigning for an informed use of technology and studying the policy and impact of digital technologies on the lives and rights of citizens and consumers and users of digital media and services.

Our organization is respected for its evidence based, firm and mature methods and our opinion is increasingly high on the short list to be sought by government and media alike.

Our achievements to date include helping to prevent insecure e-voting, and contributing to a vision of flexible copyright in the government's Gower's Report. This year we added to this record by helping prevent Phorm from breaking UK privacy and data protection laws and stopping copyright term extension.

We are now mounting a solid fight back to government proposals that would allow Internet users to be summarily disconnected and banned on the basis of accusations of copyright infringement without adequate judicial oversight or the proper right to defend themselves.

More widely, objections from ORG and others have helped beat back government intercept modernization plans proposing mass surveillance of Internet traffic. ORG and our partners including NO2ID and Privacy International have helped win the argument in society at large to protect our right to privacy. This is a crucial change and shows that despite the continuing and fundamental threats to privacy, we can win the argument both with the public and with politicians.

For a four year old organization I think we've done well.

The foundation of our success is not just having the right ideas, it's down to you, our supporters, and your extraordinary contributions of time, thought and energy. As Chair, with responsibility for ensuring the future effectiveness and viability of the organization, I would like to especially thank all of the supporters who have kindly contributed to us financially and ask for your help in ensuring that more people join so that we can continue our work and extend our effectiveness. I would like to extend a warm and timely welcome to the 228 people who have joined as supporters in the last two months, many of whom have been motivated to do so because of the highly dangerous proposals made in the Digital Economy Bill.

As our organisation has matured we have taken significant steps towards opening up ORG's governance, including holding an open Advisory Council recruitment process the members of whom add great value to our expertise and network. Special thanks goes to Tom Watson for his parliamentary work on a range of digital issues, many of which are much wider than just ORG's work.

This year we will hold new elections to the Board with candidates voted for by ORG supporters, which will strengthen our commitment to participation and being an open organisation. We will be recruiting 'expert' board members as well, to help maintain a balance of skills in those we depend on for our good governance.

I would like to thank every one of our volunteers who have worked to make the tools, the web content and ORG's systems function and who make their voices heard by joining us in action; our Board, especially William Heath and Louise Ferguson who have recently moved on to pastures new and both of whose contribution since our formation has been heroic; and our exceptional staff Michael

Holloway and Executive Director Jim Killock who ably and impressively run the organization and have this year significantly extended our campaigning activity. Thanks also to Becky Hogge, who left as Executive Director this January after a highly successful tenure. Her work was inspirational and forward thinking and without that strong foundation we would not have enjoyed the continued success we saw this year.

Finally, I would like to thank the Joseph Rowntree Reform Trust, who this year, helped us run the Database State seminars, and the Open Society Institute, who funded our copyright campaigner, Gavin Hill whose determination and hard work on European sound copyright term extension impressed all participants in the debate. Without both of their generous support we simply would not exist.

I hope that you enjoy reading our report. We would love to hear your thoughts and comments and welcome you to join with us and help us defend our future.

James Cronin, Chair

#### **About the Open Rights Group**

Same Crow

The Open Rights Group (ORG) is a grassroots, technology-focussed organisation which exists to protect civil liberties whenever they are threatened by the poor implementation and regulation of digital technology. We call these rights our "digital rights".

Our digital rights are affected when the increasing ability of corporate and state entities to store data about our physical makeup, our habits or our communications threatens our right to privacy. Our digital rights are affected when the introduction of computers into the voting process threatens our right to a free and transparent election, or when overzealous intellectual property legislation, brought into being by the concerns of traditional entertainment conglomerates when faced with new technologies, denies us access to our cultural heritage or threatens our right to freedom of expression. Often, it is simple ignorance that threatens our digital rights: the media and politicians sometimes don't understand new technologies, but comment and pass laws anyway.

#### ORG's aims are:

- to preserve and extend traditional civil liberties in the digital world;
- to raise awareness in the media of digital rights abuses;
- to provide a media clearinghouse, connecting journalists with experts and activists;
- to collaborate with other digital rights and related organisations; and
- to nurture a community of campaigning volunteers, from grassroots activists to technical and legal experts.

The Open Rights Group was founded in December 2005 by a pledge from 1000 people to "create a standing order of 5 pounds per month to support an organisation that will campaign for digital rights in the UK".

The ORG story started in the summer of 2005, when a group of technology activists organised a panel discussion entitled "Where's the British EFF?", at OpenTech, a technology and open source conference. The event was received with overwhelming interest and it soon became clear that there was significant support for a UK based digital rights organisation.

That afternoon, Danny O'Brien created a pledge on PledgeBank, with a deadline of Christmas Day 2005. The pledge read: "I will create a standing order of 5 pounds per month to support an organisation that will campaign for digital rights in the UK, but only if 1,000 other people will too." The pledge reached 1000 people on 29 November 2005, and ORG started accepting donations from its supporters in January 2006.

ORG employs three staff, who are supported by a 23 strong Advisory Council tasked with helping form policy and prioritise issues, a nine strong board of non-executive directors and a volunteer community of over 50 people who actively help in the running of the organisation. Our patron is the author Neil Gaiman.

#### **Copyright and online rights**

#### **Term extension**

The year opened with a very hard fight to push copyright term extension for sound recordings off the agenda. We had built a strong alliance of pan-European academics, consumer groups and copyright users. We examined the evidence and showed that it would favour industry and dead artists' estates. We launched a robust campaign and lobbied the EU parliament as hard as we could manage. Around 20,000 EU citizens signed our petition and 35,000 viewed our online video outlining the case against extension.

This wasn't enough to convince Parliament that the record labels were wrong, although in our view the attention given was scant; copyright has not been traditionally seen as anything more than a technical, industry issue, so politicians are not generally looking at it closely.

In the event, Parliament "compromised" with a 20 year term extension, which was however blocked in the EU Council. This is where it remains, as Sweden wisely did not wish to deal with the issue. With the start of the Spanish presidency next year, we expect the UK government and others to push for acceptance of term extension. We are lobbying the UK government to try to get them to change their position in the light of their recent statements about more flexible copyright.

#### P2P and 'disconnection'

Proposals for the disconnection of users on accusation of copyright infringement have been repeatedly pushed at many levels of government. They can be found in drafts of the secretive ACTA Treaty, they have been pushed at EU level, and in member states, most famously France.

At every turn, they meet popular resistance. The reasons are not hard to discern. The evidence is likely to be tenuous, as it cannot identify individuals, only IP addresses. Punishments will be collective, as whole households would be disconnected. And the punishment itself is completely disproportionate.

Cutting people off the internet has no place in the range of punishments available, and is designed to be a statement that copyright and property rights are of higher regard than individual rights of freedom of expression and association.

They are not. Financial damage should be dealt with primarily as a financial manner, in proportion to the actual damage caused.

In Britain, the Digital Britain report looked likely to push for reserve measures up to bandwidth throttling, but not disconnection itself. Ofcom was likely to oversee any process, and measure the impact not only of letter writing, but of rights holders attempts to bring new services online.

The mess we have been presented with includes disconnection with limited appeals, and a wide ranging power to change copyright law to impose new obligations to enforce copyright without Parliamentary scrutiny.

These are unacceptable proposals. We will fight them every inch of the way. Please join our efforts by visiting your MP and talking to them face to face to explain exactly how disasterous and disproportionate these proposals are.

#### Google Books and orphan works

The US Google Books settlement caused considerable controversy in the EU as well as the States, partly because EU rights holders felt their rights were being infringed, and partly because the EU clearly needed to provide some sort of solution that would allow out of print and 'orphan' works, works where rights holders can no longer found, to be made available on the internet.

ORG Law, our team of volunteer legal experts, led the creation of a submission to the Commission. With particular help from Daithí Mac Síthigh, we made the point that legislative solutions were better than courtroom agreements when copyright law needs changing, and that a wide solution to online licensing and scanning rights is needed. We also observed that without EU action, services like Google Books would not be able to emerge, a competitive market may not be established, and EU literature might be more accessible in the USA that Europe.

We were the only citizen or 'consumer' group to be represented at the hearing.

The hearing was clearly aimed at opening the door for a change in law to allow orphan works to be made available. Commisioner Vivian Reding has made it plain that problems with orphan works is a problem for archives and libraries as well as commercial services. The debate now is between the types of solution, and whether a narrow copyright exception can be agreed to create consistent rules across Europe, or whether licensing agreements are expected to solve all 'orphan works' problems. ORG contributed to this second EU debate as well.

#### **BBC and HD DTT**

We scored another success this year when ORG and over 100 concerned individuals submitted evidence to Ofcom's consultation about the BBC's proposals to encrypt and license television scheduling information for high definition broadcasts.

These proposals are a clear attempt to restrict the lawful use of BBC content through imposing conditions on equipment manufacturers.

Ofcom rejected the BBC's initial application, and is revisiting the issue. We haven't won yet, but we've won the first fight.

#### **Open Internet**

#### **Telecoms Package and Blackout Europe**

The Telecoms Package was subject to very heavy lobbying by large telecoms companies over the right to shape internet traffic, and prioritise certain services over others. Of course, 'traffic shaping' can be entirely legitimate, but there are emerging worries as ISPs increasingly become content providers, and begin to have a vested interest in promoting internet traffic from their own services over traffic from external competitors.

Traditional telecoms companies won most of these arguments, this time around, but the 'open internet' or 'net neutrality' has registered as a major concern and something which the EU is prepared to legislate on. Time will tell if the warm words of commissioners translate into firm action.

La Quadrature du Net led European lobbying efforts, but ORG contributed by promoting a Facebook group and building a campaign website, Blackout Europe. The Facebook group attracted well over 20,000 members and helped co-ordinate pan-European action to contact MEPs.

One major victory was scored, over Amendment 138, which initially gave extremely strong protection to users from 'three strikes' and disconnection proposals. In the end, the compromise reached seems to give some strong protections, by preserving the need for fair prior legal process, but the effect of the new rights depends very much on our willingness to fight for them.

#### **Privacy**

#### Phorm and behavioural advertising

Open Rights Group scored a major victory this year in helping push Phorm out of the UK, and securing the support of the EU Commission in defence of UK privacy laws. The Commission intervened at the end of last year after we and others wrote to them outlining the lack of protection individuals had from interception in the UK.

A number of specific problems were identified by the Commission, including the lack of an official body that would handle and act upon complaints, and the fact that the E-commerce directive expects in many cases consent to be required by all parties before a communication is intercepted. Our view is the RIPA also requires this kind of consent, but the UK government seemed to be taking a rather different view.

As Phorm seemed to be on the verge of deployment, the Open Rights Group asked major websites to opt out of BT's system, and 'block' Phorm. Our view was that the commercial viability and acceptability of the system would be undermined if websites asserted their legal right (and perhaps duty) not to have their users' communications intercepted.

We also organised very large grassroots Facebook groups, reaching several thousand members, many of whom have joined us in our other campaigns.

By this summer, BT and others had dropped plans to deploy Phorm. The EU is continuing with their 'infraction' proceedings and may take the UK to court if our government fails to give us the privacy rights we are entitled to in EU law.

#### **Intercept Modernisation and Statebook**

ORG launched a highly successful spoof website, Statebook, earlier this year, which gained international attention, and over 30,000 visitors. The main object was to show the breadth of information that government gathers about us, but also to show the next steps that they intend to take. We used the site to encourage people to email their MPs about Intercept Modernisation.

Later in the year, we responded to the announcement of plans to 'snoop on Facebook', through deep packet inspection to retrieve 'traffic data'. We created with largest Facebook group, with nearly 5,000 members at its peak, helping to popularise the message that our right to be free from government surveillance matters to everyone.

We later submitted a joint consultation response with the Foundation for Information Policy Research (FiPR). Subsequent to the consultation, the government has chose not to legislate. These dangerous plans for mass surveillance have been shelved – but are not dropped. Whatever the colour of the government, shadowy figures in the upper ranks the civil service will be pushing for measures like this: and ORG will be ready to oppose them.

#### **Database State seminars**

After the publication of the Database State report by the Joseph Rowntree Reform Trust and Foundation for Information Policy Research, the Open Rights Group was invited to run a series of four expert seminars, to which we also invited departments and political parties. Experts were asked to discuss how privacy could be respected in government systems including health, law enforcement, transport and education.

The results of the seminars were highly interesting, and will shortly be published and distributed to MPs and campaigners. A video with many of the key themes is being produced.

#### **RIPA**

RIPA has been the target of digital rights activists since its inception. It was a major campaign for the Foundation for Information Policy Research, which remains a leading voice in our movement, and helped the Open Rights Group get established.

We jointly submitted a response to the government's consultation with FiPR, outlining the continuing problems with this Act. While our present government largely rejected the points we made, some of the points we made are being noted by the Opposition.

#### E-voting / E-counting

#### **London Assembly**

ORG helped push e-voting off the agenda, but e-counting is still being used in Scotland and London despite clear evidence of problems. We have continued to meet regularly with government ministers and officials and the Electoral Commission, and also worked with the London Assembly.

Following the submission ORG made to the Assembly after the last election, we were asked to respond to a cost benefit analysis for the next elections in 2012. This compared hand and electronic counting and was meant to give a firm basis for an evidence-based decision. Although heavily biased towards e-counting, the report was forced to conclude the hand counting would be cheaper.

Unfortunately, the London Assembly's Chief Executive and returning officer, Leo Bowland, prejudged our responses. Bowland declared in a meeting with us and others who were expecting to present our thoughts that he was going to use e-counting whatever our criticisms of the cost benefit analysis.

In the event, this backfired as the Electoral Commission had found the report wanting, and press criticism in the wake of comment by them and ourselves left the Assembly promising to look at the proposals again.

E-counting is not as insurmountable a problem as e-voting currently is, but it poses major problems of verification and reliability, which can only be solved by significant additional expenditure.

#### **Democratic engagement**

#### **European elections project**

This year, for the first time, we surveyed the opinion of EU candidates standing in June's election. We felt it was vital we do this, to show that a number of privacy, civil liberties and copyright questions are important to voters, and to inform voters and ORG supporters of the opinions of their candidates.

We had responses from nearly everyone except Labour candidates, whose campaign felt unable to make any more detailed statement than referring us to the relevant government departments.

A big thanks goes to Harry Metcalfe for writing the software and to Rayyan Mirza for collecting together statements from a very large number of candidates.

#### Health of our organisation

#### AC and board recruitment

This summer, we held a very successful open nominations process for the Advisory Council. The result was a number of high profile experts joining the AC, including Tom Watson MP, Jerry Fishenden, and Heather Brooke.

This winter we are holding board elections in which paying supporters are entitled to stand and vote. We will also be holding an open board nominations process. In these ways, we wish to open up our governance procedures, both to be transparent, but also to gain the greatest expertees and knowledge to help ORG move forward.

#### New volunteer activities

ORG has taken a definite decision to increase the number of activities that supporters can help us with this year. We have aimed to make these easy things to do that help build our movement and let individuals contribute to political and financial pressure for governments and corporations to change their habits.

We run many of our projects through voluntary activity, from Sys Admins, web projects, wiki maintenance, our news blog and legal discussion list. We will always depend on volunteers to reach our full potential, and would like to thank them for their very valued work.

You can find more details about the things you can do at:

www.openrightsgroup.org/volunteer

#### Website and recruitment

This August, we changed both our website and made our supporter sign up process much easier. Our aim was to make it easier for people to find ways to defend their rights, to find out what our major campaigns are and to encourage people to join as supporters.

We have also made a point of growing our online networks, with an Action email alert and an active Twitter (since June 2008) and Facebook presence. The result has been that we are now able to reach new supporters easily and get them involved with our digital rights campaigns. This is also producing more people joining.

During October and November, the first two months that ORG was able to push people to our website like this, over 200 supporters joined us and over 450 people emailed Peter Mandelson via our pages. This was a moment of very high passion of course, but we hope we can continue to translate that passion into action over the coming years.

We continue to find people through traditional means, of course. Many people join ORG after coming to one of our events, or meeting us at a stall at a conference, or hearing us speak. Special thanks goes to Glyn who has recruited great numbers of people to ORG at events like these.

#### **ORG's future plans**

#### Supporter growth

Supporter growth has been rapid in the last few months, and we hope to continue this trend. Supporter income is the best and most sustainable way to build the Open Rights Group and gain the ability to campaign on all the issues we need to cover.

We will continue to have ambitious growth targets, and will translate this into action by funding new staff and campaigns.

#### New grants and staff

The grant that OSI have given us for a year of full time work on copyright represents a major opportunity and a step up in the level of work we can do in outward campaigning. We are extremely grateful to OSI for this opportunity, which we believe comes at a critical moment in the copyright debate.

From our supporters perspective, however, copyright is but one of the fronts on which ORG must fight. The digital age is bringing wide changes to the ways that information is used, bringing both privacy threats and attempts to restrain positive change to protect vested interests. The dominant theme is that ORG needs to bring the voice of citizens and our interests firmly into the political debate.

From the perspective of funders, our work may be seen as falling into three broad categories: copyright and information related, privacy related and consumer related. We have secured a grant for our copyright work from OSI for one year, building on the work we did in the Term Extension campaign.

We clearly need to find funding to match this level of work for privacy related issues and the wider 'digital rights agenda' – covering our 'consumer rights' and keeping the internet and competition open. This latter set of issues may be best funded from ORG supporter contributions, but there are certainly grant making bodies with a strong interest in civil rights including privacy and we will aim to approach these in the coming months and year.

#### The international movement in Europe and beyond

The digital rights movement in Europe is strengthening. Many new and successful groups are emerging, which is helping ORG get your views heard.

The most prominent of the new civil society groups is La Quadrature du Net, who led the battle for Amendment 138, and helped establish in politician's minds that internet access is part of our right to freedom of expression. They have also led the fight for an open internet in Europe, highlighting the inadequacies of 'transparency' and competition law to resolve problems of traffic discrimination that may emerge under the new Telecoms Package passed by Europe.

Another movement emerged in the Free Culture Forum http://fcforum.net/ campaigning for innovation, creativity and access to knowledge. They held a meeting in Barcelona this year, producing a charter which ORG and EFF have signed.

This year, European Digital Rights (EDRi), of which ORG is a member, has employed a full time Advocacy Co-ordinator in Brussels. This addresses one of the key weaknesses we have had: lack of a presence near the EU's Parliament and Commission, who are making many of the critical decisions on internet, competition, privacy and copyright law. This is a major step forward, although one person still seems hardly enough, and we still lack some of the other tools we need as campaigners.

MySociety's tools for transparency and contacting elected representatives need full replication at an EU level, and we all need to work to keep the EU's actions in the media, rather than their confining discussion to a handful of technical websites. Democratic scrutiny is the only way we can ensure our rights are defended, and that starts with campaigners and the media.

The most startling change however is the politicisation of digital rights, exemplified by the election of the first two Pirate Party MEPs in Sweden. While we may not agree with everything they say or do, and will always find and need other political allies, such as the remarkable Stavros Lambrinidis, the fact that digital copyright and privacy issues can produce a mass movement that unseats politicians should be a wake up call to politicians across Europe.

Overall, defence of our digital rights is complicated and faces severe threats, whether that is through secretive and undemocratic international trade agreements like ACTA, or the export of poor practice like traffic data retention from Europe to countrie with poor human rights records; but the movement is strong and more diverse than ever. New groups are springing up in many European countries and elsewhere, and we are better supported and more experienced.

#### Treasurer's Statement

In this section of our Review of Activities I will outline the principles and details of our funding model, which has brought us almost to financial sustainability in just four years. Our aim is to secure the core fixed costs of our normal operations through funds raised by relatively small, regular donations from a large number of individual supporters, whilst funding larger campaigns via contributions from grant-giving bodies. This broad base of grassroots support enables ORG to maintain its independence from any single patron or influence. This has been vital in gaining and retaining the trust of our supporters, the media and politicians and is giving us growing legitimacy by virtue of the number of people who stand behind us when we speak.

It is our intention to be a transparent and open organisation and so we voluntarily publish a level of detail consistent with best practice guidelines for voluntary sector organisations, which is considerably in excess of our statutory obligations. If after reading this statement and report you have any questions or feedback I and the rest of the Board would be very pleased to hear from you so that we can make any changes necessary in advance of next year's Review of Activities.

Your generosity has enabled us to quickly and effectively establish a confident and considered voice for citizens and consumers in technology-related public policy debates. Following the successful pledge to found ORG in 2005, ORG supporters like you donated around £19,000 in our first financial year (ending 31 October 2006). This public support increased to over £35,000 in the following accounting period (the year ended 31 October 2007), and then to around £50,000 in our most recent published accounts (appended to this report). Despite the recession, we have continued the upwards trend and will report further significant growth in our next accounts.

In the financial year ended 31 October 2008, as noted in last year's report, ORG secured further grant support from the Joseph Rowntree Reform Trust (JRRT) Ltd. An award of £20,000 plus £10,000 in matched funds was directed to capacity-building activities, including core infrastructure and community fundraising works. In the same period, the organisation received a grant of £19,800 from new media development centre 01 zero-one to prepare and deliver educational materials for creative businesses using the open architecture and culture of the internet. The Open Society Foundation also granted ORG €30,000 to expand our campaign for copyright reform in Europe. This paid for a third (part-time), campaign-dedicated staff member.

More recently, in the as-yet unreported year to 31 October 2009, JRRT granted £14,000 to host a series of Database State seminars, which facilitated conversations between civil society and Westminster regarding improving public sector management of our personal data. We are also delighted to report that the Open Society Foundation generously committed to continue funding our campaign work on copyright reform with an increased grant of €58,000, which will support a full-time campaigner in 2010.

The Board (all unpaid volunteers) remain focused on the financial self-sustainability of ORG and concern ourselves continuously not just with providing all the support we can to the Executive Director and his staff in growing the supporter numbers, and hence income of the organisation, but also with keeping our operating expenditure tightly managed, lean and efficient. Our task in doing this was greatly eased by all of the individuals and organisations that have supported us either by donating their valuable time to us as volunteers or providing goods, services or resources to us at reduced or no cost. Thank you.

Looking ahead to the coming year, we are again targeting further significant growth in our supporter numbers and aim to increase our receipts from individuals by another 25%.

If you're already a supporter I'd like to take this opportunity to thank you sincerely for your continued generosity and ask politely if you're able to consider increasing your gift. If you're not an ORG supporter, then I hope that this report has helped show you the care we take to maximise the effect of

our supporters' hard-earned donations and has done its part to convince you to become one.

For and on behalf of the Board of Directors

NIJAY SODWALA

Vijay Sodiwala Treasurer

#### **OPEN RIGHTS**

### Income and Expenditure Account for the year ended 31 October 2008

income and Expenditure Account for the year ended 31 October 2	2008	2007
Notes	£	£
INCOME		
Subscriptions	49,306	46,639
•	20,000	28,950
Grant from Joseph Rowntree Reform Trust Ltd Sponsorship from Foundation for Information Policy	20,000	1,000
Research	_	1,000
Grant from 01Zero-One	19,800	_
Grant from Open Society Foundation	11,696	_
Donations	4,950	1,264
Reimbursed expenses	2,664	-,20
Refunded overpayment	899	_
Interest receivable	706	410
	110,021	78,263
EXPENDITURE	,	•
Consultancy fees	-	9,940
Gross Pay	50,531	33,196
Employer's NI Contributions	5,698	3,308
Associations and Memberships	213	-
Bank Service Charges – Paypal	789	914
Bank Service Charges – Co-op	115	48
Business Insurance	346	-
Campaign event	1,860	_
Creative Business in the Digital Era	9,343	1,000
Copyfighters	-	46
IP Campaigner	6,981	17040
E-voting  Release the Music (Conveight term extension)	1292	17,048
Release the Music (Copyright term extension) SOAP (Community party)	<del>-</del>	3,387 86
Other campaigns	100	523
Marketing	3420	568
Office supplies	823	510
Postage and delivery	279	64
Printing and reproduction	486	315
Professional fees	1,942	1,241
Recruitment	, - -	548
Service Providers	1,427	818
Taxes (corporate)	-	410
Telephone	283	1,062
Training	570	71
Travel and hotel	2,848	945
Unclassified (To be reimbursed)	357	12
Other overheads	115_	
	89,818	76,060
SURPLUS OF INCOME OVER EXPENDITURE FOR THE YEAR	20,203	2,203
Balance Brought Forward	8,344	6,141
Balance Carried Forward	28,547	8,344

# OPEN RIGHTS Balance Sheet as at 31 October 2008

			2008		2007
	Notes	£	£	£	£
<b>Current Assets</b>					
Cash at bank			48,813		23,419
Creditors:	2				
Amounts falling due within one year					
Subscriptions received in advance		1,215		3,527	
Other creditors		19,051		11,548	
			(20,266)		(15,075)
Net Assets			28,547		8,344
			=====		=====
Represented by:					
Accumulated Fund			28,547 =====		8,344 =====

For the year ended 31 October 2008 the directors are satisfied that the company 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:

- 1) ensuring that the company keeps proper accounting records which comply with Section 221 of the Companies Act 1985; and
- 2) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year 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 company.

Approved by the Board of Directors on and signed on its behalf by

James Cronin Director

# OPEN RIGHTS Notes to the Accounts for the year ended 31 October 2008

#### 1 Accounting policies

The Financial Statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard for Smaller Entities (effective January 2007).

#### 2 Subscriptions

Each annual subscription is banked on receipt and the benefit is credited to income in 12 equal amounts over the ensuing year.

#### 3 Surplus income and the Accumulated Fund

As a not for profit company, all income is dedicated to its object of raising general awareness of digital rights matters and is credited to an accumulated fund to be used for future projects. As a company limited by guarantee and without share capital, income cannot be distributed to shareholders.

#### 4 Corporation Tax

It is our understanding that corporation tax is not payable by Open Rights as it is a not for profit company.

#### 5 Bank Service Charges and consultancy fees

Bank service charges are shown separately rather than as a combined figure, whereas consultancy fees are shown as a combined figure.

## INDEPENDENT EXAMINER'S REPORT TO THE BOARD OF DIRECTORS OF OPEN RIGHTS FOR THE YEAR ENDED 31 OCTOBER 2008

I report on the accounts of Open Rights for the year ended 31 October 2008, which are set out in pages 4 to 6.

#### Respective responsibilities of the directors and the examiner

The Board of Directors are responsible for preparing the accounts. The Board of Directors consider that an audit is not required and that an independent examination is needed. It is my responsibility to issue this report on its accounts.

#### Basis of independent examiner's report

My examination included a review of the accounting records kept by the company and a comparison of the financial statements with those records. It also included considering any unusual items or disclosures in the financial statements and seeking explanations from you as directors 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 matter has come to my attention:

- 1) Which gives me reasonable cause to believe that in any material respect the directors have not met the requirements to ensure that:
  - proper accounting records are kept, and
  - •accounts are prepared which accord with the accounting records and comply with the accounting requirements of the Act; or
- 2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Anthony Epton BA FCA CTA FCIE Goldwins Chartered Accountants 75 Maygrove Road London NW6 2EG



#### **About the Open Rights Group**

The Open Rights Group is a grassroots digital rights advocacy group based in the UK. It aims to increase awareness of digital rights issues, help foster grassroots activity and preserve civil liberties in the digital age. It is funded by individual donations and small grants.

#### **Detail of Respondents**

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