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**ICOMMONS**  
(Limited by Guarantee)

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**TRUSTEES REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2007**

**ICOMMONS**  
**(Limited by Guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 MARCH 2007**

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**Trustees**

Prof. Ronaldo Lemos, Chairman  
Christiane Asschenfeldt Henckel (appointed 01/03/2006)  
Paul Keller  
Joichi Ito  
Prof. Lawrence Lessig  
Lawrence Liang (appointed 16/10/2006)  
Anthony Lilley (resigned 22/06/2006)  
Timislav Medak  
Jimmy Wales  
Prof. Jonathan Zittrain  
Catharina Maracke (appointed 17/09/2007)

**Company registered number**

5398065

**Charity registered number**

1111577

**Registered office**

5th Floor,  
Alder Castle  
10 Noble Street  
London  
EC2V 7QJ

**Company secretary**

Diane Cabell

**Chief executive officer**

Heather Ford

**Auditors**

haysmacintyre  
Chartered Accountants  
Registered Auditors  
Fairfax House  
15 Fulwood Place  
London  
WC1V 6AY

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS**  
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**Advisers (continued)**

**Bankers**

Bank of America  
100 Cambridgeside Place  
Cambridge  
MA 02141  
USA

**Solicitors**

WilmerHale  
Alder Castle  
10 Noble Street  
London  
EC2V 7QJ

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2007**

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The Trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements of iCommons (the company) for the year ended 31 March 2007. The Trustees confirm that the annual report and financial statements of the company comply with current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 18 March 2005 and amended to allow for its current charitable objects on 24 August 2005. The amended Memorandum and Articles are posted online at <http://ibiblio.org/cccr/docs/icomarticles.pdf> and <http://ibiblio.org/cccr/docs/icommemo.pdf>. iCommons is registered as charity number 1111577 with the Charity Commission. The sole member is Creative Commons Corporation, a United States public charity registered in the Commonwealth of Massachusetts. To avoid confusion with the sole member, the name of the charity was changed from Creative Commons International Ltd to iCommons Ltd on 16 November 2005.

The principal object of the company is to advance education for the benefit of the public by promoting practices and tools that encourage liberal permissioning of rights to use scientific, creative and other intellectual works thus leading to more universal participation in culture and knowledge.

**Method of appointment or election of Trustees**

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the articles of association.

iCommons adopted the model Articles and Memorandum of Association suggested by the Charity Commission. Under those provisions, the chair of the trustees is nominated by the board of trustees. Trustees may be appointed by a vote of the current trustees or elected by vote of the member. To date, all current trustees have been appointed by special resolution of the existing trustees for annual terms to last for one year or until the next Annual General Meeting, whichever comes first.

**Policies adopted for the induction and training of Trustees**

The trustees are geographically dispersed throughout the world; therefore an induction meeting is impractical. New trustees are, however, provided with a packet of written materials to assist them in performing their responsibilities. Included in the packet are copies of the Memorandum and Articles of Association, minutes of all previous meetings, the most recent Annual Report and Annual Return with associated financial statements, a memorandum on UK directors' duties prepared for the company by UK counsel, and a copy of the Charity Commission publication CC3 – The Essential Trustee.

**Organisational structure and decision making**

The board of trustees administers the charity. It consists of ten (10) persons at present. The board meets at least bi-annually, by teleconference or by physical meeting. The board of trustees has formed ad hoc policy and technology committees. An Executive Director was appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations, the Executive Director has been delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and programmes. A Treasurer was appointed to oversee financial reporting and a Corporate Counsel oversees legal matters. The charity has contracted with The African Commons Project, a South African nonprofit organisation, for administrative and support services as needed by the Executive Director. The services provided by TACP include provision of office space and handling of communications, website administration, bookkeeping, research assistance and office management.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2007**

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**Related party relationships**

The charity works closely with Creative Commons Corporation, the US charity that serves as the sole member, guarantor and initial financial benefactor. Creative Commons (CC) was founded in 2001 by a number of distinguished academicians who wanted to ensure public access to digital copies of common knowledge, information and culture in face of increasing restrictions imposed on the use of same by recent expansions in intellectual property laws.

CC sponsored the formation of iCommons in order to encourage global adoption of free use licenses (collectively known as "open sharing practices") by which authors signal in advance that their works may be freely copied and re-distributed by the public for non-commercial purposes. Creative Commons awarded a grant of £269,774 (\$510,000) in unrestricted funds to iCommons during the reporting period as well as £64,171 (\$120,000) towards the cost of the 2006 summit. The charity also paid a management charge of £97,362 (\$184,016) to Creative Commons Corporation.

The charity also works closely with The African Commons Project (TACP), a Section 21 corporation formed in South Africa with charitable purposes closely aligned with iCommons. TACP shares office space with the charity and has been hired to manage the charity's administrative operations for the latter's Johannesburg, ZA office.

**Risk management**

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

The trustees have a risk management strategy which is comprised of (a) continuous review by counsel of potential risks arising from programme activities, (b) securing adequate insurance to cover operations and (c) obtaining an annual independent audit of financial statements.

**OBJECTIVES AND ACTIVITIES**

The object of the charity is to advance education for the benefit of the public by promoting practices and tools that encourage widespread non-commercial sharing of scientific, creative and other intellectual works by the general public thus leading to more universal participation in culture and knowledge.

By encouraging the use of "open sharing" practices, large noncommercial institutions such as schools, can reduce the expense and burden of securing legal permissions. By making institutions and individuals aware of the benefits to society from open access to knowledge and culture, one also hopes to encourage contributions to the public domain and better ensure that the public can access its own information and heritage.

The charity thus seeks to grow and support the international community of thinkers and practitioners coalescing around FLOSC (free, libre, open science and culture) initiatives such as Creative Commons, Open Access Publishing, "free culture kids" and Access to Knowledge (A2K).

The strategies employed to achieve the charity's objectives include:

- providing opportunities for authors, artists, scientists and other creators, for scholars, governments and non-profit institutions specifically and for the public more generally to learn about the use of open sharing practices;
- developing software tools and applications that allow creators to easily identify and license the free uses that can be made of their work and permit users to easily locate works that are legally free to use;
- providing information about via websites and public forums about the programmes, practices and tools

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2007**

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described above; and

- developing a network of volunteers and collaborating institutions around the world to support the activities of the charity by promoting local adoption of open sharing practices within their jurisdictions.

## **ACHIEVEMENTS AND PERFORMANCE**

### **Review of activities**

The achievements during this first year of active operations included the following:

The charity began the year with £2,500 in assets. The Trustees and the Executive Director initiated a fundraising effort, including direct requests for gifts as well as proposals for sponsored research, which resulted in a surplus of funds by the end of the reporting year.

A 3-day "iSummit" conference of lectures and workshops was held in Rio de Janeiro, Brazil in June, 2006 and co-hosted with Creative Commons and Fundacao Getulio Vargas (a Brazilian law school). Over 250 individuals from more than 20 nations attended. Featured speakers included Gilberto Gil and Paulina Urrutia, the Ministers of Culture in Brazil and Chile respectively, and Jimmy Wales, the founder of Wikipedia. Many "open source" communities were represented, including the Electronic Frontier Foundation, Access to Knowledge, The Association for Progressive Communications, Commons Sense, FreeCulture.org, Open Business, Science Commons, Wikipedia and Ubuntu. See details at <http://www.icommons.org/isummit>. The Summit attendees voted to approve declarations supporting Open Access, Digital Rights Management and the Broadcast Treaty.

Various "toolkits" were developed that included guidelines and software to produce "open content" materials that can be freely shared. These include:

- 'Open Publishing in a Box', a CD that provides both information and technical tools for people interested in any form of publishing.
- A framework for selecting and compiling video and audio for the Freedom Toaster.
- Initiation of the research programme 'iCommons iCurriculum', a global, multi-stakeholder project to advocate for open curricula, to improve the efficiency of open curricula in non-connected environments and to develop common standards that enable open curricula to cross-disseminate.
- Development of a 'Framework for Open Science', a set of legal and technical tools for the implementation of open science platforms especially in universities and scientific research institutions in the developing world.
- Preparation of a funding proposal for an Indigenous knowledge licensing research project to investigate the practical viability and potential implementation of a variety of innovative legal and technical tools and models (including open licenses) as applied to knowledge and culture developed by indigenous communities.

The charity developed a "Node Programme," including a Code of Conduct that will form the ground rules, values and support for participation in iCommons community activities; Nodes are discrete volunteer projects that show different ways to use open sharing practices to enrich knowledge or culture. A sample node is the iHeritage project which provides resources for the public to post copies of cultural artifacts (including historical photographs) to a central Internet archive.

Public communications were launched under guidance of an Editorial Committee. Various publication vehicles not only push information out to the public, but also permit the public to contribution information back to the

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charity.

- Website: [www.icommons.org](http://www.icommons.org) has been developed into a vibrant, critical space for the exploration of free culture around the world. In addition to publishing news and commentary on the ways in which the commons is being built from diverse sectors, countries and perspectives, the website also allows the contributors from the public to share local information with the rest of the iCommons community worldwide. The site features blogging capability, wikis, social networking, event calendars and digital artifact archiving features so that individuals from around the world can show how open sharing practices are being used in their region.
- iCommons Lab Report: a PDF magazine-style newsletter that is distributed monthly by email. <http://icommons.org/wp-content/uploads/2007/04/iCommons%20Lab%20Report%20Mar-Apr.pdf>
- iCommons Podcasts: a monthly review of activities in audio format. <http://www.icommons.org/category/podcast-episodes/>

The charity undertook phase 1 of a research contract to develop objective assessment criteria to objectively gauge the value of open sharing initiatives that have been developed for educational uses.

## **FINANCE**

### **Reserves policy**

The aim of the Trustees is to have three months' operating costs in reserves which would total approximately £30,000. At the end of the financial year, the charity had unrestricted funds of £28,318. The intention of the Company is to build its unrestricted funding in order to meet the reserve goal.

### **Financial policies**

Policies regarding investments and grants were adopted. Under the Memorandum and Articles of Association, the charity has the power to invest in any way the trustees wish, subject to the conditions placed on trustees of a trust by the Trustee Act 2000. The investment policy approved by the trustees requires the Treasurer to keep available funds in an interest bearing deposit account and to seek to achieve a rate of deposit interest which matches or exceeds inflation as measured by the retail prices index.

For the selection of individuals and institutions that are to receive grants out of the assets of the charity, the Executive Director is instructed to prioritise applicants based on the recipient's ability to provide diversity of representation from the global community of initiatives aimed at building the commons in the fields of creativity, technology, science and knowledge.

### **Financial review**

The charity received all of its revenues, over £440,000, in the form of gifts and grants. The charity's sole member, Creative Commons Corporation, provided the bulk of the year's operating expenses via a £269,774 (\$510,000) unrestricted grant. Other support was received from various sources including £2,674 (\$5,000) from Cisco Systems (US) which is for the 2006 summit and has been carried forward as deferred income, £3,529 (\$6,600) from Curriki (US), £26,738 (\$50,000) from Digital Garage (Japan), £9,626 (\$18,000) from the Ford Foundation (US), £21,390 (\$40,000) from the International Development Research Centre (CA), £3,743 (\$7,000) from Linden Research, Inc. (US), £4,813 (\$9,000) from the Microsoft Corporation (US), £16,042 (\$30,000) from the Open Society Institute (US), £15,241 (\$28,500) from The Shuttleworth Foundation (ZA), £11,765 (\$22,000) from The William and Flora Hewlett Foundation (US) and £1,336 (\$2,500) from Revver (US). The Creative Commons Corporation also provided £64,171 (\$120,000) towards the cost of the 2006 summit.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2007**

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The charity established a bank account in the US with the Bank of America. Unexpended funds are retained in that account. The charity has no investments at present.

The Board is extremely grateful to the London firm of WilmerHale for providing pro bono legal services.

**Future developments**

The trustees approved a general operational plan for the charity and a budget at the Annual General Meeting in June 2006.

The trustees expect to focus in the coming year on maintenance of various services launched during the first year of active operations and to fulfill the performance requirements of the various program grants for which it has received funding. The charity will host another iSummit conference in June 2008 in Sapporo, Japan. Proposals have been submitted to various private foundations seeking support for the Summit and some additional programme initiatives. A structure for self-governance by the community of volunteers that receive support or programme services from the charity has been proposed and is currently receiving input from the community.

The trustees voted to seek additional members of the corporation so that the charity would no longer be dependent on a sole member. The trustees are currently seeking additional members from among chartered organisations that focus on similar or compatible objects. In order to broaden international support for iCommons activities, three additional Members of the Company were appointed effective 1 January 2008. The new Members are Computer Professionals for Social Responsibility, Inc. of San Francisco, CA, USA. Free Software Foundation Europe e.V., of Düsseldorf Germany, and Instituto Sociocultural Overmundo, Rio de Janeiro, Brazil. Additional Membership applications are currently in process. As a result of this change, Creative Commons will no longer have a controlling interest in the Company. As a consequence the Company will no longer be deemed to be a subsidiary of Creative Commons Corporation. In addition, Creative Commons will no longer provide the Company with any financial support or administrative services.

**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 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 company 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 company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2007**

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**Auditors**

The firm of haysmacintyre was appointed as auditors of the company by resolution of the directors dated 18 June 2007. The audited statements are attached hereto.

This report was approved by the Trustees on 17 January 2008 and signed on its behalf, by:

Prof. Ronaldo Lemos, Chairman

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ICOMMONS**

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We have audited the financial statements of iCommons for the year ended 31 March 2007 set out on page 19. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005).

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 auditors' 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 and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' 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 Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

**BASIS OF AUDIT OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes 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.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ICOMMONS**

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**OPINION**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 March 2007 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees' Report is consistent with the financial statements.

**haysmacintyre**  
Chartered Accountants  
Registered Auditors  
Fairfax House  
15 Fulwood Place  
London  
WC1V 6AY

Date:

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**STATEMENT OF FINANCIAL ACTIVITIES**  
(incorporating income and expenditure account)  
**FOR THE YEAR ENDED 31 MARCH 2007**

	Note	Restricted Funds 2007 £	Unrestricted Funds 2007 £	Total Funds 2007 £	Total Funds 2006 £
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds:					
Voluntary income	2	-	269,774	269,774	2,500
Incoming resources from charitable activities	3	170,663	1,310	171,973	-
<b>TOTAL INCOMING RESOURCES</b>		<u>170,663</u>	<u>271,084</u>	<u>441,747</u>	<u>2,500</u>
<b>RESOURCES EXPENDED</b>					
Costs of generating funds:					
Costs of generating voluntary income	4	-	75,956	75,956	-
Charitable activities	5	154,630	148,894	303,524	-
Governance costs	6	-	20,416	20,416	-
<b>TOTAL RESOURCES EXPENDED</b>		<u>154,630</u>	<u>245,266</u>	<u>399,896</u>	<u>-</u>
<b>MOVEMENT IN TOTAL FUNDS FOR THE YEAR - NET INCOME FOR THE YEAR</b>		16,033	25,818	41,851	2,500
Total funds at 1 April 2006		-	2,500	2,500	-
<b>TOTAL FUNDS AT 31 MARCH 2007</b>		<u>£ 16,033</u>	<u>£ 28,318</u>	<u>£ 44,351</u>	<u>£ 2,500</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 13 to 19 form part of these financial statements.

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**BALANCE SHEET**  
**AS AT 31 MARCH 2007**

	Note	2007		2006	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible fixed assets	11		775		-
<b>CURRENT ASSETS</b>					
Debtors	12	8,415		-	
Cash at bank and in hand		76,848		2,500	
		<u>85,263</u>		<u>2,500</u>	
<b>CREDITORS:</b> amounts falling due within one year	13	<u>(41,687)</u>		<u>-</u>	
<b>NET CURRENT ASSETS</b>			<u>43,576</u>		<u>2,500</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>£ 44,351</u>		<u>£ 2,500</u>
<b>CHARITY FUNDS</b>					
Restricted funds	14		16,033		-
Unrestricted funds	14		28,318		2,500
			<u>£ 44,351</u>		<u>£ 2,500</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

The financial statements were approved by the Trustees on 17 January 2008 and signed on their behalf, by:

Prof. Ronaldo Lemos, Chairman

Paul Keller, Trustee

The notes on pages 13 to 19 form part of these financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2007**

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**1. ACCOUNTING POLICIES**

**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in March 2005, applicable accounting standards and the Companies Act 1985.

**1.2 COMPANY STATUS**

The company is a company limited by guarantee. The member of the company is Creative Commons Corporation, the charity's parent company incorporated in USA. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

**1.3 FUND ACCOUNTING**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the company for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**1.4 INCOMING RESOURCES**

All incoming resources are included in the Statement of Financial Activities when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the company being notified of an impending distribution or the legacy being received.

**1.5 RESOURCES EXPENDED**

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company. Governance costs are those incurred in connection with compliance with constitutional and statutory requirements.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**1. ACCOUNTING POLICIES (continued)**

**1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION**

All assets costing more than £500 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer equipment                      -        25% straight line

**2. VOLUNTARY INCOME**

	Restricted Funds 2007 £	Unrestricted Funds 2007 £	Total Funds 2007 £	Total Funds 2006 £
Contribution from Creative Commons Corporation	-	269,774	269,774	-
Donations	-	-	-	2,500
Voluntary income	£ -	269,774	£ 269,774	£ 2,500

**3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	Restricted Funds 2007 £	Unrestricted Funds 2007 £	Total 2007 £	Total 2006 £
Income from summit	-	140,465	140,465	-
Grants (see below)	1,310	30,198	31,508	-
Total	£ 1,310	£ 170,663	£ 171,973	£ -

**GRANTS**

	2007 £	2006 £
The William and Flora Hewlett Foundation	11,640	-
Shuttleworth Foundation	15,066	-
Curriki - Global Education & Learning Community	3,492	-
Others	1,310	-
Total	£ 31,508	£ -

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**NOTES TO THE FINANCIAL STATEMENTS  
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**4. COSTS OF GENERATING VOLUNTARY INCOME**

	Restricted Funds 2007 £	Unrestricted Funds 2007 £	Total Funds 2007 £	Total Funds 2006 £
Travel	-	5,737	5,737	-
Allocation of support costs	-	29,264	29,264	-
Seconded staff costs	-	17,145	17,145	-
Consultancy fees	-	23,810	23,810	-
	<u>£ -</u>	<u>£ 75,956</u>	<u>£ 75,956</u>	<u>£ -</u>

**5. CHARITABLE ACTIVITIES**

	2007 £	2006 £
Travel	4,295	-
Consultancy	7,937	-
Seconded staff	6,476	-
Summit expenses	141,519	-
Fellowship fees	7,040	-
News site	1,597	-
Subcontractor fees	13,571	-
Allocation of support costs	120,642	-
Other costs	447	-
Total	<u>£ 303,524</u>	<u>£ -</u>

**6. GOVERNANCE COSTS**

	Total Funds 2007 £	Total Funds 2006 £
Auditors' remuneration	7,875	-
Consultancy fees	1,984	-
Meeting costs	629	-
Trustees expenses reimbursed	2,522	-
Allocation of support costs	7,406	-
	<u>£ 20,416</u>	<u>£ -</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**7. BREAKDOWN OF COSTS**

	Direct costs £	Support costs £	Total 2007 £	Total 2006 £
Charitable activities	182,882	120,642	303,524	-
Fundraising costs	46,692	29,264	75,956	-
Governance	13,010	7,406	20,416	-
	<u>£ 242,584</u>	<u>£ 157,312</u>	<u>£ 399,896</u>	<u>£ -</u>

Support costs have been allocated on the basis of seconded staff and consultancy fees incurred in each area.

**8. SUPPORT COSTS**

	2007 £	2006 £
Travel	1,255	-
Office equipment	8,674	-
Rent and utilities	6,137	-
Office costs	11,768	-
Seconded staff costs	24,337	-
Bank charges	1,363	-
Shipping charges	353	-
Consultancy fees	5,953	-
Management fees	97,363	-
Depreciation	268	-
Difference on exchange	(233)	-
Sundry expenses	74	-
	<u>£ 157,312</u>	<u>£ -</u>

**9. NET INCOME**

This is stated after charging:

	2007 £	2006 £
Depreciation of tangible fixed assets: - owned by the charity	258	-
Auditors' remuneration	7,875	-
	<u>£ 8,133</u>	<u>£ -</u>

During the year, no Trustees received any remuneration (2006 - £NIL).

During the year, no Trustees received any benefits in kind (2006 - £NIL).

3 Trustees received reimbursement of expenses amounting to £1,328 in the current year, (2006 - no Trustees - £NIL).

**ICOMMONS**  
(Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2007**

**10. STAFF COSTS**

Staff costs were as follows:

	2007 £	2006 £
Seconded employment costs	£ 47,958	£ -
	<u>          </u>	<u>          </u>

The average monthly number of employees during the year was as follows:

	2007 No.	2006 No.
Seconded staff	2	0
	<u>          </u>	<u>          </u>

No employee received remuneration amounting to more than £60,000 in either year.

**11. TANGIBLE FIXED ASSETS**

	Computer equipment £
<b>COST</b>	
Additions	1,033
At 31 March 2007	<u>1,033</u>
<b>DEPRECIATION</b>	
Charge for the year	258
At 31 March 2007	<u>258</u>
<b>NET BOOK VALUE</b>	
At 31 March 2007	£ 775
At 31 March 2006	<u>£ -</u>

**12. DEBTORS**

	2007 £	2006 £
Prepayments	£ 8,415	£ -
	<u>          </u>	<u>          </u>

**ICOMMONS**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2007**

**13. CREDITORS:**  
**AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2007 £	2006 £
Amounts owed to group companies	29,715	-
Other creditors	1,036	-
Accruals and deferred income	10,936	-
	£ 41,687	£ -
	£ 41,687	£ -

**14. STATEMENT OF FUNDS**

	Brought Forward £	Incoming resources £	Resources Expended £	Carried Forward £
<b>UNRESTRICTED FUNDS</b>				
General Funds	2,500	271,084	(245,266)	28,318
	2,500	271,084	(245,266)	28,318
<b>RESTRICTED FUNDS</b>				
iSummit	-	140,465	(140,465)	-
iCommons iCurriculum	-	30,198	(14,165)	16,033
	-	170,663	(154,630)	16,033
	-	170,663	(154,630)	16,033
Total of Funds	£ 2,500	£ 441,747	£ (399,896)	£ 44,351
	£ 2,500	£ 441,747	£ (399,896)	£ 44,351

**Restricted fund explanations:**

The iSummit is an annual conference held to educate individuals and organizations around the globe about the most current tools, methods and practices (legal, technical and social) that encourage and enable the free sharing of knowledge, information and culture and to permit those present to develop new collaborative activities for the coming year.

iCiC (iCommons iCurriculum) is an 18-month project operated in collaboration with the Institute for the Study of Knowledge Management in Education (ISKME). The purpose is to develop and support a case study research programme that will propagate best practices across Open Education Resource projects around the world.

**ICOMMONS**  
(Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2007**

**SUMMARY OF FUNDS**

	Brought Forward £	Incoming resources £	Resources Expended £	Carried Forward £
General Funds	2,500	271,084	(245,266)	28,318
Restricted Funds	-	170,663	(154,630)	16,033
	£ 2,500	£ 441,747	£ (399,896)	£ 44,351

**15. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Restricted Funds 2007 £	Unrestricted Funds 2007 £	Total Funds 2007 £	Total Funds 2006 £
Tangible fixed assets	-	775	775	-
Current assets	16,033	69,230	85,263	2,500
Creditors due within one year	-	(41,687)	(41,687)	-
	£ 16,033	£ 28,318	£ 44,351	£ 2,500

**16. RELATED PARTY TRANSACTIONS**

The charity works closely with Creative Commons Corporation, the US charity that serves as the sole member, guarantor and initial financial benefactor. Creative Commons (CC) was founded in 2001 by a number of distinguished academicians who wanted to ensure public access to digital copies of common knowledge, information and culture in face of increasing restrictions imposed on the use of same by recent expansions in intellectual property laws.

CC sponsored the formation of iCommons in order to encourage global adoption of free use licenses (collectively known as “open sharing practices”) by which authors signal in advance that their works may be freely copied and re-distributed by the public for noncommercial purposes. Creative Commons awarded a grant of £269,774 (\$510,000) in unrestricted funds to iCommons during the reporting period as well as £64,171 (\$120,000) towards the cost of the 2006 summit. It also paid a management charge of £97,362 (\$184,016) to Creative Commons Corporation.

The charity also works closely with The African Commons Project (TACP), a Section 21 corporation formed in South Africa with charitable purposes closely aligned with iCommons. TACP shares office space with the charity and has been hired to manage the charity's administrative operations for the latter's Johannesburg, South Africa office.

**17. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The charity is a wholly owned subsidiary of Creative Commons Corporation, a company incorporated in the USA.