
ICOMMONS LIMITED
(A company limited by guarantee)

UNAUDITED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010

ICOMMONS LIMITED
(A company limited by guarantee)

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The following pages do not form part of the statutory financial statements:

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2010**

Trustees

Paul Keller, Chairman
Prof. Ronaldo Lemos
Joichi Ito
Prof. Lawrence Lessig III
Catharina Maracke (resigned 2 December 2009)
Tomislav Medak
Jimmy Wales (resigned 7 January 2010)
Delia Brown (appointed 2 December 2009)
Neeru Paharia (appointed 2 December 2009)

Company registered number

5398065

Charity registered number

1111577

Registered office

Fairfax House
15 Fulwood Place
London
WC1V 6AY

General Counsel and Company Secretary

Diane Cabell

Independent Examiner

Murtaza Jessa FCA
haysmacintyre
Fairfax House
15 Fulwood Place
London
WC1V 6AY

Bankers

Bank of America
100 Cambridgeside Place
Cambridge
MA 02141
USA

Solicitors

Hunton and Williams
30 St Mary Axe
London
EC3A 8EP

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2010**

Advisers (continued)

Members

Computer Professionals for Social Responsibility
Creative Commons Corporation
Free Software Foundation Europe (FSFE) e.V
Instituto Sociocultural Overmundo
Multimedijalni Institut

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2010

The Trustees (who are also directors of the charity for the purposes of the Companies Act) submit their annual report and the financial statements of iCommons (the company) for the year ended 31 March 2010. 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 established by a Memorandum of Association on 18 March 2005. In November 2005, the organisation's name was changed from Creative Commons International Ltd to iCommons Ltd. The amended Memorandum and Articles are posted online at <<http://ibiblio.org/cccr/icom/icommemo.pdf>> and <<http://ibiblio.org/cccr/icom/icomarticles.pdf>>.

iCommons has five members:

Computer Professionals for Social Responsibility (Peru)
Creative Commons Corporation (US)
Free Software Foundation Europe (FSFE) e.V (Germany)
Instituto Sociocultural Overmundo (Brazil)
Multimedijalni Institut (Croatia)

The principal object of the company is to advance education for the benefit of the public by performing research on open sharing and providing education about tools and practices that encourage liberal permissioning of rights to use scientific, creative and other intellectual works. By making it easier for users to obtain legal permission to reproduce, amend and redistribute existing work, public access to knowledge and culture will be greatly enhanced.

METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

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 Members. To date, current Trustees have been appointed for annual terms by the Trustees.

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 currently consists of seven (7) persons representing diverse stakeholder constituencies. The Board holds one physical meeting each year with teleconference meetings as needed. The Trustees are subscribed to a single email list as well where they may communicate as desired.

In order to streamline staff and reduce costs during the economic recession, the Corporate Counsel has been serving as the acting Executive Director and has been delegated authority for operational matters including finance, employment and programmes. Programme activities are being conducted for the most part via collaboration with consultants, online communities and other registered charitable organisations.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2010

RELATED PARTY RELATIONSHIPS

A grant of USD \$25,000 was issued to Creative Commons, one of the charity's members, by a majority vote of disinterested Trustees. These funds are restricted for use to subsidise the costs of an international conference for stakeholders in the open sharing movement, an event which the charity formerly hosted at its own expense and which is now being managed by Creative Commons.

RISK MANAGEMENT

The major risks to which the charity is exposed, as identified by the Trustees, have been reviewed and systems have been established to manage those risks.

OBJECTIVES AND ACTIVITIES

Charitable objects

The object of the charity is to advance knowledge, culture and science through research, education and advocacy in support of a robust public domain and the promotion of practices and tools that enable widespread sharing of scientific, creative and other intellectual works on free or easy terms thus leading to more universal and more useful application thereof.

Aims and strategies to achieve objects

Many authors, artists, researchers and other content creators want to share their work freely with others. Many scientists, for example, are quite willing to share their data with other researchers who then need to copy, merge, reformat, redistribute and otherwise use the original data. The internet now makes it extraordinarily easy to do this, however such content is legally restricted by the complicated terms of copyright law which prohibit re-use of material without the express permission of the copyright owner. Tracking down owners and clearing rights has become an expensive and time-consuming hurdle. The result is that more and more knowledge and culture is captured behind legal fences, thus making less and less of it available for productive public use.

The Charity's mission is to make it easier for authors to voluntarily signal – in advance -- their permission for the public to fully utilise their works and for the public to easily work that is available under such terms. We also advocate for a robust public domain.

The charity fulfills its ambitions through research, education, and advocacy including workshops, conferences, and online publications that inform content creators as well as content users about open sharing tools and practices. Our work product is delivered in written reports, videos and related documents that are available for free on our website. We provide instruction and information to scholars and activists seeking to ensure that local laws accommodate free sharing practices and protect the public domain. The Charity provides resource support to individuals and organisations that are generating new works specifically for contribution to the public domain or for free sharing purposes. Our activities are global in scope and benefit.

Public benefit

Our work benefits the public at large because it makes online content more useful. Open sharing practices not only ensure transfer of knowledge and culture to needy users, but also reduce the time and transactional costs of permissioning which benefits any individual or institution that relies on such works to advance their own contributions to society.

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission in determining the activities undertaken by the charity. They have reviewed the activities of the charity against its aims on an ongoing

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2010

basis and are satisfied that all activities continue to be related to the aims. No specific issues of detriment or harm have been identified.

A number of private benefits necessarily arise from our activities. We contract with vendors for services, employ and remunerate staff at wages we have researched as being within industry averages, and reimburse conference speakers for direct and substantiated travel costs. On good faith and information, the Trustees believe that these private benefits are necessary and reasonable to fulfillment of the charity's aims.

REVIEW OF ACTIVITIES

Open video

Open video became a focus of effort beginning in June 2009 with the Open Video Conference (OVC), a multi-day summit of thought leaders in business, academia, art, and activism that convened in New York City to explore the future of online video. The event was attended by over 800 participants, including 150 workshop leaders, panelists and speakers. Over 8,000 viewers tuned in from home to watch the live broadcast. Speakers and attendees came from around the world, from places as widespread as New Zealand, Brazil, Germany, Denmark, India, Italy, France, UK, Colombia, Australia, Argentina, and more. The event earned coverage by WIRED, NewTeeVee, BBC News, Filmmaker Magazine, and The New Yorker. See archive of presentations at <http://openvideoalliance.blip.tv/posts?view=archive&nswf=dc>.

A substantial grant from the Ford Foundation Brazil was received in September 2009 for a year of research and education on the impact of free culture and commons-based practices in the global south, and what the rest of the world can learn from it. The grant is funding work by over 17 individuals and 20 organisations. In collaboration with the Open Video Alliance, Fundacao Getulio Vargas Law School in Brazil, and the Center for Internet & Society Bangalore, workshops were held in all three nations with reports (narrative and video) posted at <http://icommons.org/programs/open-video-project>.

An international advocacy event, Open Video Day's Wireside Chat, was hosted in February 2010 in which global participants tuned in to a webcast-keynote about video and net neutrality. Coordinated local events were held that spanned the gamut from IP policy teach-ins, to developer hackathons, to research colloquia, to workshops for activists. In all 20 such local events were held in Brazil, Canada, India and the US.

Work under the grant will continue through October 2010 culminating with the 2010 Open Video Conference. Multiple research papers and videos that have been in production during this reporting period will be presented at this forum.

Comparative Copyright Study

The BISA Copyright Review was completed in April 2009. The report is available at <http://s69107.gridserver.com/wp-content/uploads/2009/09/bisa-review-1.pdf>. This study, conducted with the assistance of Fundacao Getulio Vargas Law School in Brazil, the Alternative Law Forum in India and The African Commons Project in South Africa, explored the review process used by stakeholders (government, lobbyists, academics, government advisers, and activists) in India as that nation adopted major changes in its copyright law to adjust to the digital age. The Review highlights lessons learned from that process and analyses how South Africa and Brazil can improve their own review procedures. It is a superb resource benefitting the many other Southern nations that are currently revising their own copyright laws to meet the TRIPS requirements.

Free Culture Scholarship

Building on the First Interdisciplinary Research Workshop on Free Culture which took place during the charity's 2008 iSummit conference, iCommons co-sponsored a Free Culture Research Workshop at Harvard Law School. The symposium attracted a multidisciplinary group of academic peers and practitioners for the

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2010

purpose of identifying the most important research opportunities and challenges, and charting the future of Free Culture. Fifty scholars from more than 17 countries attended. Over 32 research articles from such diverse disciplines as anthropology, education, law and media studies were submitted.

Open Collaboration in Science

iCommons began working with the Open Biological and Biomedical Ontologies (OBO Foundry) collaborative and the Genomic Standards Consortium (GSC) on issues relating to open sharing of scientific data. Both organisations consist of scientists from globally distributed research and academic institutions (such as the University of Cambridge, Sanger Institute, Argonne National Laboratory), who have begun collaborating online. Both organisations are voluntary associations that lack independent legal status. In order to ensure that the work product of these collaboratives is legally available to the public, iCommons has begun researching questions relating to rights clearance, organizational structures and best practices. iCommons is currently serving as a fiscal agent for OBO Foundry.

Communia

iCommons became an initial signatory of the Public Domain Manifesto generated by members of EC-funded Communia, the European thematic network on the digital public domain. As declared in the preamble, "The Public Domain is the wealth of information that is free from the barriers to access or reuse usually associated with copyright protection, either because it is free from any copyright protection or because the right holders have decided to remove these barriers." The Manifesto's purpose is to remind citizens and governments that, although the Public Domain belongs to all, it is often defended by no-one. "In a time where we for the first time in history have the tools to enable direct access to most of our shared culture and knowledge it is important that policy makers and citizens strengthen the legal concept that enables free and unrestricted access and reuse."

iCommons representatives served on Communia's Working Group on Science and Education which addresses issues of open education and open university. The working group is developing a framework for research methodology using the Wheeler Declaration that makes the results available to students and researchers throughout the world. It is also developed a survey to determine the sharing practices of institutions of higher education.

Open cultural heritage

The iHeritage project, which resulted in the development of an online open cultural heritage platform, was another major accomplishment in this reporting period. A demonstration site was launched at <http://omeka.ischool.berkeley.edu/omeka/>.

In collaboration with our sub-contractors, The African Commons Project and the Alexandria Archive Institute, the project investigated access, digitisation and copyright issues relating to South African Heritage, memory and culture. The Open Cultural Heritage Platform was then developed to implement and document fully localizable, open source software for the open sharing of cultural heritage. The syndication approaches advocated here make it easy for anyone to creatively use and recombine collections from different sources. Instead of remaining locked in museum isolation (or isolated online silos), cultural heritage collections can freely flow across the web. AAI has developed extensions to existing open source platforms that add the legal permissioning needed to contribution content to the archive. The platform was launched in June 2009 using a local archive as a demonstration to digitize and make available a series of photographs, texts and video around gender identity in Johannesburg. Response to the project was outstanding – with a number of local radio stations and websites reporting on the project (see <http://iheritage.org.za/press/press-cuttings/>).

Operations

Due to the economic recession and reduced funding, operations were streamlined during the year.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2010

Unfortunately, this required terminating our collaboration with The African Commons Project (TACP) which managed our activities from Johannesburg, South Africa until June 2009. Administrative staffing has been reduced to one half-time administrator and most programme activities are being out-sourced. The transition required a great deal of administrative attention as well as the identification of new support resources. The entire website was migrated to new servers. The website and corporate logo were dramatically re-designed to reflect a more focused agenda which concentrated during the remainder of the reporting period on open video and online scientific research collaboratives.

Preliminary research was conducted and funding proposals were submitted for i) a pilot study of UK government sharing practices and ii) an online Public Domain Arts Festival. While short-listed, neither project was funded.

ACHIEVEMENTS

iCommons' major accomplishments in the past year:

1. Organising open video workshops customised for 3 different nations (Brazil, India, US) in order to raise awareness of free culture and commons-based practices.
2. Organising a global Open Video Day with coordinated workshops in multiple countries in order to launch an international network of supporters for free culture in media.
3. Support for a Free Culture Research Workshop to provide a forum for the growing number of scholars researching free culture attributes.
4. Support for a Public Domain Manifesto to raise awareness in the public and in government officials of the need to protect the public domain as the primary source of freely available knowledge and culture.
5. Development of an open cultural heritage platform to enable public contribution and dissemination of historical documents and images.

FINANCIAL REVIEW

Reserves policy

The aim of the Trustees is to secure unrestricted funding, so as to ensure sustain ability over a short to mid-term period. Contributions toward a designated contingency fund are being made at the rate of £3,000 per year. The current total in reserve is £6,000 representing two years' contributions. At the end of the financial year the charity had unrestricted funds of £83,693.

Financial policies

A set of financial policies and procedures was developed by a consulting chartered accountant and implemented.

Financial review

The charity received its revenues, over £130,000 entirely in the form of gifts and grants. Financial support was received from three sources:

Ford Foundation £62,743 (\$100,000.00)
Kusuma Trust £62,743 (\$100,000)
Communia £5,655 (\$9,012)

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2010

The Board is also extremely grateful to the London firm of Hunton & Williams for providing very valuable legal services on a pro bono basis.

FUTURE DEVELOPMENTS

The targeted projects adopted for the coming year involve education and science. Proposals are in process to fund i) study of best practices for sharing work product of unformalised scientific collaboratives including a tool to assess risk when such practices are not adopted, ii) development of an online course "Copyright for Scientists", and iii) hosting of the 2010 Open Video Conference. Other projects being proposed to potential sponsors include an online "Public Domain Art Festival" which will translate significant public domain cultural works into other languages and a training programme for video production using open source production tools.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of iCommons for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company and charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

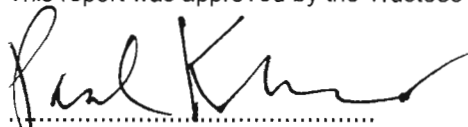
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable 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 charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by Part 15 of the Companies Act 2006.

This report was approved by the Trustees on 3 October 2010 and signed on its behalf, by:



.....
Paul Keller - Chairman

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INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2010

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ICOMMONS LIMITED

I report on the financial statements of the company for the year ended 31 March 2010 which comprise the Statement of Financial Activities and Balance Sheet, with the related notes.

This report is made solely to the company's Trustees, as a body, in accordance with Section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work, for this report, or for the opinions I have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The Trustees, who are also the directors of the company for the purposes of company law, are responsible for the preparation of the financial statements. The Trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the Act) and that an independent examination is needed.

Having satisfied myself that the company is not subject to audit under charity or company law and is eligible for independent examination, it is my responsibility to:

- examine the financial statements under section 43 of the Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 43(7)(b) of the Act; and
- state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S REPORT

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the company and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

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 requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare financial statements which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

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INDEPENDENT EXAMINER'S REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2010

Signed:



Murtaza Jessa FCA

Dated: 3 October 2010

haysmacintyre
Fairfax House
15 Fulwood Place
London
WC1V 6AY

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STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account)
FOR THE YEAR ENDED 31 MARCH 2010

	Note	Restricted funds 2010 £	Unrestricted funds 2010 £	Total funds 2010 £	Total funds 2009 £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income	2	-	62,743	62,743	58,083
Incoming resources from charitable activities	3	68,398	-	68,398	446,985
Other incoming resources	4	-	59	59	41,785
TOTAL INCOMING RESOURCES		68,398	62,802	131,200	546,853
RESOURCES EXPENDED					
Costs of generating funds:					
Costs of generating voluntary income	5	-	8,512	8,512	24,870
Charitable activities	6	63,348	50,347	113,695	450,258
Governance costs	7	-	16,524	16,524	27,322
TOTAL RESOURCES EXPENDED		63,348	75,383	138,731	502,450
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		5,050	(12,581)	(7,531)	44,403
Transfers between Funds	15	5,120	(5,120)	-	-
NET MOVEMENT IN FUNDS FOR THE YEAR		10,170	(17,701)	(7,531)	44,403
Total funds at 1 April 2009		26,324	101,394	127,718	83,315
TOTAL FUNDS AT 31 MARCH 2010		£ 36,494	£ 83,693	£ 120,187	£ 127,718

The notes on pages 13 to 21 form part of these financial statements.

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REGISTERED NUMBER: 5398065

BALANCE SHEET
AS AT 31 MARCH 2010

	Note	2010		2009	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	12		192		568
CURRENT ASSETS					
Debtors	13	5,646		9,022	
Cash at bank and in hand		126,242		141,919	
		<u>131,888</u>		<u>150,941</u>	
CREDITORS: amounts falling due within one year	14	(11,893)		(23,791)	
NET CURRENT ASSETS			<u>119,995</u>		<u>127,150</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>£ 120,187</u>		<u>£ 127,718</u>
CHARITY FUNDS					
Restricted funds	15		36,494		26,324
Unrestricted funds	15		83,693		101,394
			<u>£ 120,187</u>		<u>£ 127,718</u>

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act. The Trustees acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 March 2010 and of its loss for the year then ended in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Trustees on 3 October 2010 and signed on their behalf, by:



.....
Paul Keller - Chairman

The notes on pages 13 to 21 form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010

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 April 2008). 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 2006.

1.2 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
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1.3 COMPANY STATUS

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. 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.

1.4 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010

1. ACCOUNTING POLICIES (continued)

1.5 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.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

1.6 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.

1.7 FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of financial activities.

2. VOLUNTARY INCOME

	Restricted funds 2010 £	Unrestricted funds 2010 £	Total funds 2010 £	Total funds 2009 £
Core grants (see below)	£ -	£ 62,743	£ 62,743	£ 58,083

Core grants consist of £62,743 (\$100,000) (2009 - £58,083 (\$100,000)) from Kusuma Trust.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Restricted Funds 2010 £	Unrestricted Funds 2010 £	Total Funds 2010 £	Total Funds 2009 £
Income from summit	-	-	-	295,427
Other grants (see below)	68,398	-	68,398	151,558
Total	<u>£ 68,398</u>	<u>£ -</u>	<u>£ 68,398</u>	<u>£ 446,985</u>

GRANTS

	2010 £	2009 £
The Ford Foundation # 1070-0656	-	108,907
The Ford Foundation # 1095-1021	62,743	-
IDRC - CRDI (ICIC Project)	-	1,630
The Shuttleworth Foundation	-	1,870
Curriki - Global Education & Learning Community	-	5,111
Communia Project	5,655	4,998
Nokia	-	29,042
Total	<u>£ 68,398</u>	<u>£ 151,558</u>

4. OTHER INCOMING RESOURCES

	Restricted funds 2010 £	Unrestricted funds 2010 £	Total funds 2010 £	Total funds 2009 £
Sundry income (including gains on exchange)	-	59	59	41,785
	<u>£ -</u>	<u>£ 59</u>	<u>£ 59</u>	<u>£ 41,785</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

5. COSTS OF GENERATING VOLUNTARY INCOME

	Restricted funds 2010 £	Unrestricted funds 2010 £	Total funds 2010 £	Total funds 2009 £
Travel	-	366	366	4,084
Allocation of support costs	-	1,613	1,613	3,634
Consultancy Fees	-	6,124	6,124	-
Other Costs	-	409	409	-
Seconded staff costs	-	-	-	17,152
	<u>£ -</u>	<u>£ 8,512</u>	<u>£ 8,512</u>	<u>£ 24,870</u>

6. CHARITABLE ACTIVITIES

	2010 £	2009 £
Travel	7,394	3,984
Consultancy	11,422	110,791
Seconded staff	-	56,026
Summit expenses	-	180,558
Event costs	-	9,398
Subcontractor fees	-	10,077
Publicity and communications	322	6,148
Training costs	-	7,404
Allocation of support costs	21,538	65,795
Other costs	33	77
Conferences and meetings	15,686	-
Workshops	18,197	-
Research costs	39,103	-
Total	<u>£ 113,695</u>	<u>£ 450,258</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

7. GOVERNANCE COSTS

	Total funds 2010 £	Total funds 2009 £
Auditors' remuneration	-	6,210
Other fees payable to the auditors	-	2,415
Meeting costs	-	1,201
Corporate Counsel's fees	4,350	-
Independent Examination Fee	3,525	-
Other expenses	5,514	2,986
Wages & salaries	-	10,517
Allocation of support costs	3,135	3,993
	£ 16,524	£ 27,322

8. BREAKDOWN OF COSTS

	Direct costs £	Support costs £	Total 2010 £	Total 2009 £
Charitable activities	92,157	21,538	113,695	450,257
Fundraising costs	6,899	1,613	8,512	24,870
Governance	13,389	3,135	16,524	27,323
	£ 112,445	£ 26,286	£ 138,731	£ 502,450

Support costs have been allocated on the basis of relative costs incurred in each area.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

9. SUPPORT COSTS

	2010	2009
	£	£
Travel	1,290	996
Office equipment	-	4,968
Rent and utilities	-	8,073
Office costs	333	3,536
Seconded staff costs	-	32,954
Bank charges	589	2,796
Shipping charges	571	505
Management fees	5,636	9,558
Networking and communications	4,310	-
Depreciation	376	516
Book-keeping	1,920	8,114
Legal fees	2,753	-
Sundry expenses	491	-
Loss on disposal of fixed assets	-	1,406
Loss on exchange	8,017	-
	<u> </u>	<u> </u>
Total	£ 26,286	£ 73,422
	<u> </u>	<u> </u>

10. NET INCOME / (EXPENDITURE)

This is stated after charging:

	2010	2009
	£	£
Depreciation of tangible fixed assets:		
- held under finance leases	3,135	-
Auditors' remuneration	-	6,210
Other fees payable to the auditors	-	2,415
Independent examiners' Fee	3,525	-
	<u> </u>	<u> </u>

During the year, no Trustees received any remuneration (2009 - £NIL).

During the year, no Trustees received any benefits in kind (2009 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2009 - £1201).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

11. STAFF COSTS

Staff costs were as follows:

	2010 £	2009 £
Seconded employment costs	£ -	£ 27,669
	<u> </u>	<u> </u>

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

	2010 No.	2009 No.
Seconded staff	0	6
	<u> </u>	<u> </u>

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

12. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1 April 2009 and 31 March 2010	1,784
DEPRECIATION	
At 1 April 2009	1,216
On disposals	376
At 31 March 2010	<u>1,592</u>
NET BOOK VALUE	
At 31 March 2010	£ 192
At 31 March 2009	<u>£ 568</u>

13. DEBTORS

	2010 £	2009 £
Prepayments	2,036	7,887
Grants Receivable	3,610	1,135
	<u> </u>	<u> </u>
	£ 5,646	£ 9,022
	<u> </u>	<u> </u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

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

	2010 £	2009 £
Sundry creditors	1,360	6,279
Accruals and deferred income	10,533	17,512
	£ 11,893	£ 23,791

15. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Carried Forward £
DESIGNATED FUNDS					
Contingency fund	-	-	-	6,000	6,000
GENERAL FUNDS					
General Funds	101,394	62,802	(75,383)	(11,120)	77,693
Total Unrestricted funds	101,394	62,802	(75,383)	(5,120)	83,693

The contingency fund has been set up as a reserve to pay outstanding expenses in the event that the Charity suffers a loss of further funding. Contributions of £3,000 per year are being made until the fund totals an amount equal to 3 months of the previous year's operating expenses. This year's contribution is for FY 2009 (in arrears) and FY 2010.

RESTRICTED FUNDS

Communia project	-	5,655	(5,655)	-	-
Ford Foundation # 1070-0656	26,324	-	(31,444)	5,120	-
Ford Foundation # 1095-1021	-	62,743	(26,249)	-	36,494
	26,324	68,398	(63,348)	5,120	36,494
Total of funds	£ 127,718	£ 131,200	£ (138,731)	£ -	£ 120,187

Restricted fund explanations:

Communia funds are restricted to reimbursement of travel costs to Communia-hosted conferences and workshops.

Ford Foundation grant # 1070-0656 was provided for support to strengthen the capacity of groups in the global South working on intellectual property, culture, and access to knowledge.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2010**

15. STATEMENT OF FUNDS (continued)

Ford Foundation grant #1095-1021 was awarded for research and education on the impact of video policies in the global South.

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Carried Forward £
Designated funds	-	-	-	6,000	6,000
General funds	101,394	62,802	(75,383)	(11,120)	77,693
	<u>101,394</u>	<u>62,802</u>	<u>(75,383)</u>	<u>(5,120)</u>	<u>83,693</u>
Restricted funds	26,324	68,398	(63,348)	5,120	36,494
	<u>£ 127,718</u>	<u>£ 131,200</u>	<u>£ (138,731)</u>	<u>£ -</u>	<u>£ 120,187</u>

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds 2010 £	Unrestricted funds 2010 £	Total funds 2010 £	Total funds 2009 £
Tangible fixed assets	-	192	192	569
Current assets	36,494	95,394	131,888	150,941
Creditors due within one year	-	(11,893)	(11,893)	(23,791)
	<u>£ 36,494</u>	<u>£ 83,693</u>	<u>£ 120,187</u>	<u>£ 127,718</u>

17. RELATED PARTY TRANSACTIONS

The charity normally reimburses its trustees for the cost of travel undertaken on its behalf and/or to attend board meetings. However there have been none in the year.

iCommons paid \$25,000 in the year to one of its members, Creative Commons, towards the cost of an international conference.