

WRITERS & SCHOLARS EDUCATIONAL TRUST
TRUSTEES REPORT AND CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED
31ST MARCH 2009

Charity Number: 325003

WRITERS & SCHOLARS EDUCATIONAL TRUST

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2009

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WRITERS & SCHOLARS EDUCATIONAL TRUST
REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Writers & Scholars Educational Trust
Charity number	325003
Principal address	Free Word Centre 60 Farringdon Road London EC1R 3GA Telephone: 020 7324 2522
Trustees	Jonathan Dimpleby - Chair Christopher Hird Mark Stephens Kenan Malik Alexandra Pringle Katie King Sir Ken Macdonald
Key Management	John Kampfner - Chief Executive john@indexonensorship.org Rohan Jayasekera – Deputy Chief Executive David Sewell – Finance Manager Jo Glanville – Editor of Index Magazine
Auditors	Sayers Butterworth LLP Chartered Accountants & Registered Auditors 18 Bentinck Street London W1U 2AR
Bankers	Triodos Bank Brunel House 11 The Promenade Bristol BS8 3NN
Solicitors	Finers Stephens Innocent LLP 179 Great Portland Street London W1W 5LS

WRITERS & SCHOLARS EDUCATIONAL TRUST
TRUSTEES REPORT
FOR THE YEAR ENDED 31ST MARCH 2009

The Trustees submit their annual report and the financial statements of the charity for the year ended 31st March 2009.

The Trustees have complied with statutory requirements and the requirements of the charity's Trust Deed, in preparing the financial statements.

Public Benefit Statement

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006, to have due regard to the Charity Commission's general guidance on public benefit.

Writers & Scholars' charitable purpose is enshrined in its purpose "to advance and promote by teaching, lecturing, publishing or disseminating in written or spoken form or otherwise, as ... shall best advance and encourage education or other charitable purposes beneficial to the community in connection with the study of political, economic, social and natural sciences, humanities and human rights". The Trustees ensure that this purpose is carried out for the public benefit by the carrying out of services valued by the public both in Britain and internationally.

The magazine "Index On Censorship" continues to deliver a high quality of published material to promote, increase and sustain understanding within all the fields listed above in the Charity's purpose. It provides for differing points of view, to enable full consideration of the issues within these fields. The research and articles provided are of direct relevance to specialist professionals in law, media and academia, but the magazine also serves to deepen the knowledge and advance learning of a broader public at large, in the fields of human rights and analysis thereof.

The distribution policy has an active strategy, to provide copies of the magazine at no cost to the recipient in educational institutions around the world, who ordinarily would not have access or means otherwise to secure such publications. The website is completely free to any user with internet access and provides full and updated information on the issues in line with the Charity's purposes. In addition to commissioned articles from experts in the fields of politics, economics, social and natural sciences, humanities and human rights, the Website hosts "IndexIndex" which is a daily updated factual resource disseminating the latest information. The Website also collates and disseminates information about public events open for the community to attend within the stated fields.

The Charity is actively extending the ambit of its educational materials to certain sections of the community perceived as ill-served within these fields. In this respect, the Charity has identified and is targeting the younger generations who may not have been exposed to these issues of human rights and the humanities. To this end, activities aimed at bringing such issues directly to younger audiences are underway, such as workshops with the London Regional Youth Parliament and a theatre programme to create teaching resources.

Governance and Management:

Trustee Board

Trustees serve for a period of three years and may be re-elected for a further two years for a maximum total of five years. Existing Trustees select members of the Trustee Board. Currently recruitment has occurred through personal recommendation and word of mouth. Rules and guidelines published by the Charity Commission on the responsibilities of being a Trustee are provided to all new Trustees. In addition, new Trustees are inducted in the charity by the Chief Executive and Chairman of Trustees. Every effort is made to ensure that all specialist areas of the Charity's operation are represented. Candidates that strengthen the Board are always considered, with the caveat that we do not seek to have more than seven Trustees serving at any time.

WRITERS & SCHOLARS EDUCATIONAL TRUST
TRUSTEES REPORT - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2009

Trustee Board (continued)

Trustees meet four times a year to review strategy and performance and to approve the operating plans and budgets. The majority of Trustee meetings take place at Writers and Scholars Trust's offices in the Free Word Centre enabling the Trustees to meet other members of staff on a regular basis.

Responsibility for strategy, planning and the day-to-day management of operations is delegated to a management team led by the Chief Executive. Formal reporting by the Chief Executive takes place in writing prior to each trustee meeting. The key issues arising from this report and any other matters are then discussed in detail at the Trustee meeting. Minutes are then circulated – within 7 days – for approval at the subsequent Trustees' meeting.

The management team carried out a formal review of risks that the charity is exposed to and this review was approved by the Trustees. The assessment showed that the vast majority of risks had a low likelihood score and systems have been put in place to monitor and mitigate these risks. It has been agreed that an on-going review of all risks will be conducted at regular intervals.

Management

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- A strategic plan and annual budget overseen by the Trustees
- Regular consideration by the Trustees of financial results, variance from budgets, non-financial performance indicators and benchmarking reviews
- Delegation of authority and segregation of duties
- Identification and management of risks

Achievements and performance:

Activities during 2008/2009

Index magazine had a particularly strong year in 2008/2009 in regard to the four issues it produced, in terms of both the reputation of its contributors and also those new voices it brought forth. The combination of articles helped reinforce its standing as the publication for analysis and reporting in the fields of free expression and literature. The magazine has now settled into an attractive proposition in terms of its production values. Its current status is reflected in being approached by two publishers seeking to become the magazine's new publishers for the year beginning January 2010. Such negotiations were successfully concluded with Sage publishers and will represent a far better financial package for the magazine.

The website – www.indexonensorship.org - began a process of upgrading and improvement with a successful relaunch in May 2009. It continues to attract readership from all round the world, being able to respond to news and information on a daily basis, with commentary, analysis and audiovisual content. Thus the website provides a crucial armature along with the magazine. It has also widened its own network by cultivating weblog partners and links with other online networks.

Our international projects also widened their geographical reach, with a new contract being secured for work in Tunisia to start within the next financial year. Again the emphasis is on a mix of monitoring human rights, training local practitioners and effective advocacy for peaceful change. Rohan Jayasekera has continued to extend the network of international contacts, which directly feeds back into our own fundraising, publications, advocacy and building up long-term relations with partners.

WRITERS & SCHOLARS EDUCATIONAL TRUST
TRUSTEES REPORT - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2009

Activities during 2008/2009 (continued)

Our specialist arts arm continued its platforms with artists from marginalised, repressed and under-represented communities and seeing through its programmes in these areas. It has prepared bids for new sources of funding which will respond in the next financial year.

We also began preparations to move our office to the Free Word Centre in the summer of 2009. A whole host of negotiations over terms and services were brought to mutually agreeable conclusions. The Free Word centre will house several charitable organisations all working in the field of literature and free expression. Moving to fully serviced premises will produce cost savings.

Lastly the preparation work was undertaken for the 2009 Freedom Of Expression Awards, to honour people from around the globe for their outstanding contributions to free expression. The forthcoming Awards ceremony is aimed to be such as to raise our own profile, with web coverage and spreading awareness of our work within the relevant communities and organisations within freedom of expression.

Index On Censorship Magazine 2008-09:

Volume 37 Number 2 2008

Made in China

As China recovered from the devastating earthquake, could it still meet its Olympic challenge of harmony and openness? Despite the crackdown on dissent in the run-up to the games, there were bold and outspoken voices which found a way to get heard. In this special issue, artists, writers, bloggers and journalists mapped the boundaries of free expression, revealed the cost of breaking taboos and found the cracks in the great firewall.

Volume 37 Number 3 2008

Extremism

As the UN declaration of human rights reached its 60th anniversary, Index looked back at the historic landmarks for free speech and examined the current obstacles. What once shocked post-war society may now be mainstream, but threats to freedom of expression have not diminished – they've simply changed form. So this issue also took a close look at one of the most common triggers for censorship since 9/11: Extremism. From media freedom to the right to protest, the casualties of counter terrorism are cross-examined.

Volume 37 Number 4 2008

Mission Accomplished?

Index looked to the future for free expression in the USA after Bush. What will it take to roll back a culture of secrecy and surveillance? With the help of leading activists, writers and journalists, we assessed the damage – and the prospects for a new era. Also in this issue, we marked the 20th anniversary of a watershed for free speech – the publication of The Satanic Verses.

Volume 38 Number 1 2009

I know it... when I see it

From Ulysses to Last Exit to Brooklyn, obscenity trials are a benchmark for the limits of cultural tolerance. As the first prosecution of the written word in more than 30 years takes place in the UK, Index assessed the landscape. Are we becoming less permissive than our parents? Is the Obscene Publications Act fit for purpose in a digital age? Should governments control what we see online to protect our children? Leading commentators on the subject gave their verdict. With Anthony Julius, Anne Higonnet, Julian Petley, John Ozimek, Seth Finklestein, Murray Perkins, Marjorie Heins and Tony Bennett.

**WRITERS & SCHOLARS EDUCATIONAL TRUST
TRUSTEES REPORT - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2009**

Indexoncensorship.org

The last year has seen significant expansion of Index On Censorship's website, with hits increasing 250 per cent year on year. The redesign of the site began in November 2008 and has since hosted contributions from top international journalists and commentators, while also acting as a hub for Index On Censorship's advocacy campaigns. The site now hosts 'Index Index' a key part of Index On Censorship's work, constantly updating censorship and other free expression issues from around the world. Additionally the site provides a resources page for all those interested in studying free expression, a detailed events page, and the Free Speech blog, where Index staff and other contributors highlight and debate the latest free expression issues.

Advocacy, events and the arts

This has been a very important year in the development of arts programming at Index On Censorship, as it takes on the core themes and issues, both internationally and in the UK.

A new research programme studying artistic expression and self-censorship in the UK has been funded by Joseph Rowntree Reform Trust and a new partnership with the youth-led theatre company Phakama Theatre which will bring young people's voices into the discussion and debate on freedom of expression and censorship. A special youth edition of Index magazine is planned for 2010, as is an edition focusing on censorship in music.

Imagine Art After - linking visual artists and filmmakers from refugee communities in the UK with artists from their country of origin - opened an exciting second edition. Now co-produced by Ordinary Lovers, artists and filmmakers from 10 nations have joined the project, from Syria, Zimbabwe and Georgia, to Colombia and Cameroon.

With new support from the Workers Educational Association, the Ten Feet Away project for the homeless and socially excluded continued activities in the UK. A book of poetry by homeless people in London and St Petersburg was published with support from Streetsmart and the Put Dumoi group in Russia.

We have carried out research with exiled Burmese artists, writers and publishers to inform and develop a programme of support for their counterparts in Burma. The programme has an excellent partner in-country and is being considered by a raft of international funders.

In addition Index commissioned a documentary play by IceandFire Theatre Company, featuring the stories of four former Burmese political prisoners, now living in UK, and intertwined with the story of the comedian and filmmaker Zarganar who was imprisoned for 59 years, subsequently reduced to 35, in November 2008. Zarganar was awarded the ArtVenture Freedom to Create Prize in 2008 and Index has played an active role in the campaign set up to press for his release. Index is also supporting the work of the runner up, the Belarus Free Theatre, to link up with artists working to bring about change in oppressive regimes worldwide.

International Projects

The main objective of Index On Censorship's work on the international stage has been to extend the organisation's role as a key facilitator of new alliances between different and diverse supporters of free expression, in particular through its active participation in the International Freedom of Expression Exchange (IFEX). All this was building to a global conference in Oslo in April 2009.

The most significant example of this is a joint proposal linking sixteen IFEX members from Tunisia and eight other countries. Two years in development, it will support monitoring and advocacy for an independent judiciary, freedom of peaceful association and against censorship in all its forms. It builds on four years of active campaigning, and a number of direct successes, from the abolition of the dépôt légal system of publication controls to the release of a number of prisoners of conscience in Tunisia.

WRITERS & SCHOLARS EDUCATIONAL TRUST
TRUSTEES REPORT - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2009

International Projects (continued)

A second example is the joint project devised by Index in partnership with the Writers in Prison Committee of International PEN and the International Publishers' Association to provide informal support to the UN Special Rapporteur for Free Expression, Frank la Rue and specifically, assistance to IFEX members making representations to the Universal Periodic Review process of the UN Human Rights Council in Geneva.

In 2008-9 Index on Censorship continued its work in Iraq on behalf of the United Nations Development Programme with the Independent High Electoral Commission (IHEC). Our work in Iraq follows on from several years of engagement with Iraqi media rights and access to information on behalf of local journalists, and through training and publications seeks to encourage election officials to work.

We are also researching a viable system of new print & online publishing initiatives through 'social franchising' - the use of the Index on Censorship publishing model to support the publication of annual issues of the magazine in new languages. These locally produced independent publications will meet our own high standards of original comment and analysis, and as a focal point for advocacy and new research. There is already an independent Russian edition produced by similar means, Dos'e na Tsenzuru.

Successes

We have been the first to report on several issues and stories and in so incisive a way that other news and publishing organisations national and international, have both reproduced our original articles with Index attribution, or sought comment from our editorial team, or requested further information from us. Our editorial team have been asked to go on to discussion panels on both television and radio, national and regional. More and more we are progressing towards making ourselves the invaluable resource in issues of free expression and censorship. Increases in website traffic are also part of this strategy and reflects its success.

The strength of the magazine has led to the successful negotiation of a more lucrative publishing contract to begin in 2010. This is indicative of a strengthening of the Index brand.

Extending our network of contacts has led to new potential sources of funding, with a bid being submitted to the Joseph Rowntree Reform Trust which was accepted after the year end. Writers & Scholars International Ltd, the charity's subsidiary secured a new grant from Prins Claus Fonds.

We have also reinvigorated our advisory board with a whole host of new members in all areas of expertise and expect this to enhance our effectiveness and widen our reach.

Fundraising

Grants and Donations

The largest donation to the charity was £20,000 from Eranda Foundation Rothschild, with a legacy of £45,000 from the Roderay Estate. The largest grants to the associated company WSI was £197,558 from the United Nations Development Programme.

Previous Trustee Reports had noted that the core funding base was narrow causing the organisation to be over-reliant on International Projects generating income. In the year being reported here, the trend has not changed, with voluntary income being down on the previous year, largely due to the end of Index Arts projects and their respective funding. However, the initial steps were put in place to extend the funding base, through employing a dedicated fundraising administrator to assist the CEO. Applications to new funders have already yielded new sources of funding; Joseph Rowntree Reform Trust into the charity and Prins Claus Fonds into Writers & Scholars International Ltd, the charity's subsidiary. This drive continues into the new financial year as we await responses to other new funding applications made within the present financial year.

Unrestricted reserves again fell in the year, but the Roderay Estate money received in June 2009 should build these up again quite significantly.

WRITERS & SCHOLARS EDUCATIONAL TRUST
TRUSTEES REPORT - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2009

Financial results

The Trustees are pleased to report that throughout the year the organisation was able to complete its planned work programme without the fear of cashflow hiatus as in the previous year. Outputs therefore continued to be of a very high standard. Total group income was £622,007 which was down on 2007/08 (£699,014) largely due to less grants for Index Arts with projects coming to an end. Total resources expended were £632,138 (2007/08: £705,381). This resulted in net outgoing resources of £10,131 as against last year's net outgoing resources of £6,367. This net outgoing can be accounted for by the provision of £10,530 for dilapidation costs arising on vacation of the premises at Amwell Street in June 2009.

Index Arts had incoming resources of £59,263 and outgoing resources of £53,275. Thus there was a net incoming of resources of £5,988 into restricted funds, raising the restricted funds from £11,667 to £17,655. There was a deficit in the year on unrestricted funds of £16,119, which was offset by some of the accumulated surplus in unrestricted funds from previous years. This means that overall funds carried forward have fallen from £41,125 to £30,994. Again, the effect of £10,530 of dilapidations ought to be taken into account, but also the Trustees note that Writers & Scholars International Ltd posted a loss of £47,493 on the financial year, which after bringing forward its reserves of £13,660 leaves an accumulated deficit of £33,833 which is what impacts on the overall deficit for the organisation. A considerable portion of this revolves around the contractual timings of the International Project funded by UNDP, meaning that considerable amounts of their funding is held as deferred income, so that the organisation should see this income flow through into the following year's performance figures and accounts.

We have also successfully tightened our management procedures. With a new finance manager in place, we are armed with up to date financial analysis to be able to react accordingly and swiftly wherever the situation demands. We are also in position to cost each section of our activities to ensure we are operating in full knowledge of what each of these sections do and how much it costs us to do them. Operational efficiency has accordingly increased within the last quarter of the year in the light of these changes, enabling stricter financial controls in order to best preserve the charity's assets.

Reserves policy

The reserves policy is to rebuild funds up to a level which covers 3 months operating costs. The £90,000 due on the rest of the Roderey Estate should ensure we meet 50-75% of this target early within the next financial year. Any accumulated surplus over and above this target will be invested in a diversified manner, after consultation with an investment manager and a written investment policy document. The strategy will be to aim to maximise investment management.

Plans for Future Periods

Index magazine will have new publishers for the year beginning January 2010. Sage Publishing are offering a better financial package and more marketing support than our previous publishers. The website has been redesigned and was relaunched in May 2009, with the emphasis very firmly on generating more traffic and promoting the Index brand in order to establish Index as an indispensable resource in the fields of information covered under the charity deed. Index Arts has already secured new funding sources for new projects, working with youth and the arts as we seek to open up our services and information to generations we feel have been overlooked in the areas covered by the charity deed. International Projects seek to complete the outstanding work on existing projects and to open up new regions with new partners in developing new initiatives. The continued back office reorganisation for greater efficiency will be supplemented by the cost savings made from moving to Free Word's fully serviced building in June 2009.

Volunteers and Donations in Kind

Volunteers are essential to the charity's work. The editorial volunteer team helps to compile *Index* and supplies new stories to the Internet site. Under our intern programme, volunteers now have substantial and defined responsibilities and in return receive more intensive training.

WRITERS & SCHOLARS EDUCATIONAL TRUST
TRUSTEES REPORT - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2009

Statement of Trustees' Responsibilities

The charity's Trustees are responsible for preparing the Annual Report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Charity law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and its financial activities for the 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;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any 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 charity will continue in operation

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ascertain the financial position of the charity and which enable them to ensure that the financial statements comply with Charities Act 1993. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that so far as they are aware, there is no relevant audit information of which the charity's auditors are unaware. They have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant information and to establish that the charity's auditors are aware of that information.

Assessment of risk

The Trustees regularly review the major risks to which the trust is exposed and has established procedures to mitigate against these risks.

Administrative information:

Status

Writers And Scholars Educational Trust is a registered charity, number 325003, constituted by the Trust Deed dated 25th March 1971.

Trustees:

The Trustees who served during the year were as follows:

Jonathan Dimpleby – Chair (appointed 1 May 2008)
Christopher Hird
Mark Stephens
Kenan Malik
Alexandra Pringle
Jonathan Freedland (resigned 19 June 2009)
Anna Ford (resigned 30 April 2008)

Sir Ken Macdonald and Katie King were appointed as Trustees after the year end on 18 June 2009.

There are no sub-committees of the Trustees.

John Kampfner was appointed as Chief Executive on 10 October 2008.

**WRITERS & SCHOLARS EDUCATIONAL TRUST
TRUSTEES REPORT - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2009**

Powers and Restrictions

The Trustees have absolute discretion to decide which of the Trust's purposes to forward, and no limitations on the means they adopt to do so. In particular they have complete discretion to invest money as they wish and are therefore not bound by the provisions of the Trustee Investment Act.

Approved by the Board on

and signed on its behalf:

**Jonathan Dimbleby
Chair**

WRITERS & SCHOLARS EDUCATIONAL TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

FOR THE YEAR ENDED 31ST MARCH 2009

We have audited the group financial statements of Writers & Scholars Educational Trust for the year ended 31st March 2009 on pages 12 to 22. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity's trustees, as a body, in accordance with Section 43 of the Charities Act 1993 and with regulations made under Section 44 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees 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 Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards and the Charities Statement of Recommended Practice (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

We have been appointed as auditors under section 43 of the Charities Act 1993 (as amended) and report in accordance with regulations made under section 44 of that Act. 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 Charities Act 1993 (as amended). We also report to you if, in our opinion, the information given in the Trustees' Annual Report is not consistent with the financial statements.

In addition we report to you if, in our opinion, the charity has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit.

We read other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

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 charity'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.

WRITERS & SCHOLARS EDUCATIONAL TRUST

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES (CONTINUED)

FOR THE YEAR ENDED 31ST MARCH 2009

Opinion

In our opinion the group financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of state of the group's affairs as at 31st March 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended; and
- have been properly prepared in accordance with the Charities Act 1993 (as amended).

SAYERS BUTTERWORTH LLP

Chartered Accountants

& Registered Auditors

18 Bentinck Street

London W1U 2AR

WRITERS & SCHOLARS EDUCATIONAL TRUST
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST MARCH 2009

	Note	Unrestricted Funds £	Restricted Funds £	2009 £	2008 £
Incoming resources					
Incoming resources from generated funds:					
Trading operations	13	462,217	-	462,217	359,108
Voluntary income					
- Donations and grants	2	79,396	59,053	138,449	314,132
Other incoming resources					
- Interest received		481	210	691	2,724
- Rent receivable		20,650	-	20,650	23,050
Total incoming resources		<u>562,744</u>	<u>59,263</u>	<u>622,007</u>	<u>699,014</u>
Resources expended					
Costs of generating funds:					
Trading operations	13	510,045	-	510,045	495,994
Charitable activities	3	63,318	53,275	116,593	194,166
Governance costs	4	5,500	-	5,500	15,221
Total resources expended		<u>578,863</u>	<u>53,275</u>	<u>632,138</u>	<u>705,381</u>
Net (outgoing)/incoming resources		(16,119)	5,988	(10,131)	(6,367)
Reconciliation of funds					
Total funds brought forward		29,458	11,667	41,125	47,492
Total funds carried forward		<u>£13,339</u>	<u>£17,655</u>	<u>£30,994</u>	<u>£41,125</u>

None of the company's activities were acquired or discontinued in the year.

There were no recognised gains or losses other than those included in the Statement of Financial Activities.

WRITERS & SCHOLARS EDUCATIONAL TRUST
CONSOLIDATED BALANCE SHEET
AS AT 31ST MARCH 2009

	Note	2009		2008	
		Group £	Charity £	Group £	Charity £
Fixed assets	6	<u>3,039</u>	<u>648</u>	<u>3,593</u>	<u>-</u>
Current assets					
Debtors	7	75,224	96,807	134,033	45,130
Cash at bank and in hand		<u>194,807</u>	<u>18,745</u>	<u>80,788</u>	<u>17,712</u>
		270,031	115,552	214,821	62,842
Creditors: amounts falling due within one year	8	<u>242,076</u>	<u>51,373</u>	<u>177,289</u>	<u>35,377</u>
Net current assets		<u>27,955</u>	<u>64,179</u>	<u>37,532</u>	<u>27,465</u>
Net assets		<u>£30,994</u>	<u>£64,827</u>	<u>£41,125</u>	<u>£27,465</u>
Funds					
Unrestricted income funds	9	47,172	47,172	15,798	15,798
Restricted income funds	10	17,655	17,655	11,667	11,667
Funds retained within a non-charitable subsidiary		<u>(33,833)</u>	<u>-</u>	<u>13,660</u>	<u>-</u>
Total Funds		<u>£30,994</u>	<u>£64,827</u>	<u>£41,125</u>	<u>£27,465</u>

Approved by the Board on

and signed on its behalf:

Jonathan Dimbleby
Chair

WRITERS & SCHOLARS EDUCATIONAL TRUST
NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH 2009

1. Accounting policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the group's financial statements.

Basis of accounting

The financial statements have been prepared under the historical cost convention, in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005. The accounts also comply with the requirements of the Charities Act and relevant Accounting and Reporting Standards.

The group has taken advantage of the exemption in the Financial Reporting Standards from the requirement to produce a cash flow statement.

Fixed assets

Fixed assets are recorded at cost.

Depreciation

Depreciation has been provided at the following rates in order to write down the cost or valuation, less estimated residual value, of all tangible fixed assets over their expected useful lives as follows:

Computers	25% straight line
Fixtures & Fittings	25% reducing balance

Incoming Resources

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount quantified with reasonable accuracy. The following specific policies apply to categories of income:

- I. Voluntary income Donations & Grants where related to performance and specific deliverables are accounted for as the charity earns the right to consideration by its performance. Where income is received in advance of its recognition it is deferred and included in creditors. Where entitlement occurs before income being received the income is accrued.
- II. Other incoming resources relates to bank interest and rental income and is recognised in the accounts as it becomes receivable.

Resources Expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the following categories:

- I. Charitable Activities – Costs of charitable activities comprise all costs identified as wholly or mainly attributable to achieving the charitable objectives of the charity, including the costs of disseminating information in support of charitable activities. These costs include staff costs, wholly or mainly attributable support costs and an apportionment of general overheads.
- II. Governance costs – These comprise all costs identified as wholly or mainly attributable to ensuring the public accountability of the charity and its compliance with regulation.

WRITERS & SCHOLARS EDUCATIONAL TRUST
NOTES TO THE CONSOLIDATED ACCOUNTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2009

1. Accounting policies (continued)

Pension costs

Writers & Scholars Educational Trust operates a defined contributions scheme for the benefit of the employees. The assets of the Scheme are held independently from those of Writers & Scholars Educational Trust in an independently administered fund. The pension costs charged in the financial statements represents the contributions payable during the year.

Taxation

No provision has been made for Corporation Tax or deferred tax for Writers & Scholars Educational Trust as the Trust is a registered charity and is therefore exempt. The financial statements include the results of Writers & Scholars International Limited and where applicable, any corporation or deferred tax to account for, in respect of Writers & Scholars International Limited, is included in the SOFA.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Restricted funds

Where grants are to be spent in accordance with terms agreed with the funders, the income and related expenditure are shown as 'Restricted'. Any unspent restricted income at the year end is deferred for spending to future years.

Unrestricted funds

Core income and such other income for which there are no restrictions on the way it can be spent are termed 'Unrestricted'. Such unspent income at the year end is termed 'Unrestricted funds'.

Basis of consolidation

The group financial statements consolidate those of the charity and its subsidiary drawn up to 31 March 2009. Surpluses or deficits on intra-group transactions are eliminated in full.

Assets and liabilities of all subsidiaries are consolidated in accordance with FRS2. Results of subsidiary undertakings engaged in activities similar to those of the charity are consolidated on a line-by-line basis in the SOFA and balance sheet.

A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented, as the charity has taken advantage of the exemptions afforded by paragraph 397 of SORP 2005.

Allocation of costs

Staff costs are allocated by the trustees between direct charitable expenditure and support expenditure on the basis of time spent on these activities. Other costs are ascribed directly to the relevant heading.

WRITERS & SCHOLARS EDUCATIONAL TRUST
NOTES TO THE CONSOLIDATED ACCOUNTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2009

2. Incoming resources from generated funds

Grants and donations	Project	Unrestricted Funds £	Restricted Funds £	2009 £	2008 £
Bromley Trust	Core	5,000	-	5,000	17,500
Union Chapel Project	Various	-	-	-	300
Arts Council England	Various	580	5,220	5,800	30,871
London Councils	Various	2,083	11,801	13,884	55,537
StreetSmart	Ten Feet Away	400	3,600	4,000	17,591
Eranda Foundation Rothschild	Core	20,000	-	20,000	60,000
Fritt Ord Foundation	Core	-	-	-	30,000
Avenue Trust	Core	-	-	-	10,000
Esmee Fairbairn Foundation	Core	-	-	-	15,000
Tom Stoppard	Core	-	-	-	6,410
Pearsons	Core	-	-	-	5,000
Michael Grade	Core	-	-	-	5,000
Robert Gavron Trust	Core	-	-	-	5,000
S A Spence	Core	-	-	-	3,500
Onaway Trust	Core	-	-	-	3,000
Michael Palin	Core	-	-	-	1,282
Guardian Media Group	Ten Feet Away	-	-	-	4,500
London Housing Foundation	Ten Feet Away	-	-	-	7,500
Sasakawa Foundation	Ten Feet Away	-	-	-	2,000
British Council	Imagine Art After	-	-	-	3,000
Baring Foundation	Imagine Art After	1,500	13,500	15,000	15,000
Helen Tetlow	Imagine Art After	360	3,240	3,600	5,000
Africa Beyond in IVA	Imagine Art After	-	-	-	2,750
Japan 21 Awards	Imagine Art After	-	-	-	1,000
Awards for All	Imagine Art After	897	8,074	8,971	-
Art Venture Holdings Limited	Imagine Art After	1,513	13,618	15,131	-
Estates of Nicholas and Geraldine Roderey	Core	45,000	-	45,000	-
Sundry	Core	2,063	-	2,063	7,391
		<u>£79,396</u>	<u>£59,053</u>	<u>£138,449</u>	<u>£314,132</u>

WRITERS & SCHOLARS EDUCATIONAL TRUST
NOTES TO THE CONSOLIDATED ACCOUNTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2009

3. Resources expended on charitable activities

	Unrestricted Funds £	Restricted Funds £	2009 £	2008 £
Salaries and NIC	31,159	25,667	56,826	57,781
Staff pension	512	2,758	3,270	3,290
Project costs	-	23,189	23,189	97,141
	<u>31,671</u>	<u>51,614</u>	<u>83,285</u>	<u>158,212</u>
Direct costs				
Support costs (below)	31,647	1,661	33,308	35,954
	<u>31,647</u>	<u>1,661</u>	<u>33,308</u>	<u>35,954</u>
Total resources expended	<u>£63,318</u>	<u>£53,275</u>	<u>£116,593</u>	<u>£194,166</u>

	Unrestricted Funds £	Restricted Funds £	2009 £	2008 £
Support costs				
Salaries and NIC	10,386	-	10,386	5,728
Staff Pension	171	-	171	185
Staff recruitment & welfare	344	-	344	293
Rent	8,379	-	8,379	8,193
Rates	2,078	-	2,078	493
Cleaning	427	-	427	858
Insurance	15	-	15	555
Repairs and maintenance	750	-	750	365
Dilapidation costs	2,106	-	2,106	-
Printing stationery & office equipment maintenance	157	-	157	3,705
Postage and carriage	640	5	645	1,845
Telephone and fax	532	-	532	1,096
Travel & subsistence	844	73	917	916
Entertaining	108	-	108	418
Bank charges and interest	858	-	858	1,714
Sundry expenses	792	-	792	441
Computer expenses	1,272	1,533	2,805	5,599
Equipment hire charges	1,482	-	1,482	1,916
Payroll fees	195	-	195	205
Library costs	-	-	-	17
Depreciation	111	-	111	-
Marketing and development	-	50	50	1,412
	<u>£31,647</u>	<u>£1,661</u>	<u>£33,308</u>	<u>£35,954</u>

WRITERS & SCHOLARS EDUCATIONAL TRUST
NOTES TO THE CONSOLIDATED ACCOUNTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2009

4. Governance Costs	Unrestricted Funds £	Restricted Funds £	2009 £	2008 £
Consultancy & professional fees	-	-	-	9,971
Audit remuneration	5,500	-	5,500	5,250
	<u>£5,500</u>	<u>-</u>	<u>£5,500</u>	<u>£15,221</u>

5. Employees	2009 £	2008 £
Group staff costs were as follows:		
Wages and salaries	247,520	269,217
National Insurance Contributions	26,024	28,338
Pension contributions	8,163	10,826
	<u>£281,707</u>	<u>£308,381</u>

The average weekly number of employees during the year were as follows:	No.	No.
Charitable activities	4	4
Management and support	3	4
	<u>7</u>	<u>8</u>

No employee earned more than £60,000 during the year.
No Trustees received any remuneration or were reimbursed for expenses.

6. Fixed Assets

Group	Fixtures and Fittings £	Computers £	Total £
Cost			
At 1st April 2008	645	13,176	13,821
Additions	-	759	759
Disposals	-	(8,624)	(8,624)
At 31st March 2009	<u>645</u>	<u>5,311</u>	<u>5,956</u>
Depreciation			
At 1st April 2008	338	9,890	10,228
Charge for the year	64	1,249	1,313
Disposals	-	(8,624)	(8,624)
At 31st March 2009	<u>402</u>	<u>2,515</u>	<u>2,917</u>
Net Book Value			
At 31st March 2009	<u>£243</u>	<u>£2,796</u>	<u>£3,039</u>
At 31st March 2008	<u>£307</u>	<u>£3,286</u>	<u>£3,593</u>

WRITERS & SCHOLARS EDUCATIONAL TRUST
NOTES TO THE CONSOLIDATED ACCOUNTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2009

6. Fixed Assets (continued)

Charity	Fixtures and Fittings £	Computers £	Total £
Cost			
At 1st April 2008	-	-	-
Additions	-	759	759
	<hr/>	<hr/>	<hr/>
At 31st March 2009	-	759	759
	<hr/>	<hr/>	<hr/>
Depreciation			
At 1st April 2008	-	-	-
Charge for the year	-	111	111
	<hr/>	<hr/>	<hr/>
At 31st March 2009	-	111	111
	<hr/>	<hr/>	<hr/>
Net Book Value			
At 31st March 2009	£-	£648	£648
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31st March 2008	£-	£-	£-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

7. Debtors

	2009		2008	
	Group £	Charity £	Group £	Charity £
Trade debtors	12,620	-	18,525	3,975
Prepayments	27,710	761	28,628	1,062
Accrued income	21,539	20,000	73,599	1,897
Income tax recoverable	2,471	2,471	2,002	2,002
VAT recoverable	4,828	814	2,935	1,025
Other debtors	6,056	3,975	8,344	-
Writers & Scholars International Limited	-	68,786	-	35,169
	<hr/>	<hr/>	<hr/>	<hr/>
	£75,224	£96,807	£134,033	£45,130
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

8. Creditors: amounts falling due within one year

	2009		2008	
	Group £	Charity £	Group £	Charity £
Bank overdraft	-	-	9,356	-
Trade creditors	47,247	24,586	62,119	18,644
Taxation and social security	7,394	7,394	7,583	7,583
Corporation tax	-	-	316	-
Accruals	22,335	16,743	18,250	6,500
Deferred income	165,100	2,650	41,990	2,650
Other creditors	-	-	37,675	-
	<hr/>	<hr/>	<hr/>	<hr/>
	£242,076	£51,373	£177,289	£35,377
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

WRITERS & SCHOLARS EDUCATIONAL TRUST
NOTES TO THE CONSOLIDATED ACCOUNTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2009

9. Unrestricted income funds

	£
Balance brought forward	15,798
Net incoming resources	31,374
	<hr/>
Balance carried forward	£47,172
	<hr/> <hr/>

10. Restricted Funds		Balance at	Incoming	Outgoing	Balance at
Project	Funder	1 April 2008	£	£	31 March 2009
		£	£	£	£
Ten Feet Away	London Councils	-	1,180	-	-
	Arts Council England	-	5,220	-	-
	Street Smart	-	3,600	-	-
	Awards for All	-	8,074	-	-
	Interest received	-	20	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
		979	18,094	(16,572)	2,501
		<hr/>	<hr/>	<hr/>	<hr/>
Imagine Art After	London Councils	-	9,441	-	-
	Baring Foundation	-	13,500	-	-
	Art Venture Holdings Limited	-	13,618	-	-
	Helen Tetlow	-	3,240	-	-
	Interest received	-	190	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
		10,562	39,989	(35,397)	15,154
		<hr/>	<hr/>	<hr/>	<hr/>
Ten Feet Away Workshop	London Councils	126	1,180	(1,306)	-
		<hr/>	<hr/>	<hr/>	<hr/>
Total		£11,667	£59,263	£(53,275)	£17,655
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

WRITERS & SCHOLARS EDUCATIONAL TRUST
NOTES TO THE CONSOLIDATED ACCOUNTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2009

10. Restricted Funds (continued)

Nature and purpose of each project:

Ten Feet Away – a festival programme, which brings the work of Ten Feet Away and other homeless arts organisations together to celebrate the creativity of homeless people and to challenge stigma and stereotypes.

Image Art After – a multi-stage visual arts project, working with artists who are refugees based in London using internet based exchange between the artists in London and artists in their country or origin to form the basis of creating new work for commission and exhibition in London.

Ten Feet Away Workshops (formerly 'On the Move') – a year round participatory and performing arts programme working with homeless and ex-homeless people covering visual arts, video, poetry and music. The video workshop functions on a three 12 week term structure and the other workshops are weekly for 50 weeks of the year. There is a monthly performance platform. The project came to an end during the year.

11. Grant from London Councils

In accordance with Section 37 of the Local Government Act 1989 the grant from the Association of London Government was used in respect of the period 1 April 2008 to 31 March 2009 as follows:

	£	£
Grant		13,884
Salaries	11,801	
Contribution to core costs	2,083	
	<u> </u>	(13,884)
Balance		<u> </u> £-

12. Operating Lease Commitments

The charity has annual commitments under operating leases expiring:

	2009	2008
	£	£
Land and buildings		
Within one year	33,840	33,840
Other		
Within one year	2,233	-
Between 2 and 5 years	1,952	5,780
	<u> </u>	<u> </u>

WRITERS & SCHOLARS EDUCATIONAL TRUST
NOTES TO THE CONSOLIDATED ACCOUNTS - CONTINUED
FOR THE YEAR ENDED 31ST MARCH 2009

13. Writers and Scholars International Ltd

This is a company limited by guarantee, incorporated in England and Wales, in which the majority of directors and members are Trustees of the Trust. It outsources the publication of the magazine Index on Censorship, which is the main outlet through which the Trust fulfils its charitable objectives. The company is not a registered charity, and the publication of some of its contents might be held to be non-charitable. All activities of the subsidiary have been consolidated on a line by line basis in the SOFA.

Profit and Loss Account	2009	2008
	£	£
Turnover	462,217	508,308
Cost of Sales	(392,251)	(388,329)
Gross Profit	69,966	119,979
Overhead expenditure	(117,794)	(107,665)
Operating (Loss)/Profit	(47,828)	12,314
Interest receivable	335	1,262
(Loss)/Profit for the financial year	<u>£(47,493)</u>	<u>£13,576</u>

Transactions

During the year Writers & Scholars Educational Trust made a charitable donation of £Nil (2008: £149,200) to Writers & Scholars International Limited. During the year expenditure of £265,467 (2008: £286,964) was recharged to Writers & Scholars International Limited by Writers & Scholars Educational Trust. At the balance sheet date the amount due from Writers & Scholars International Limited was £68,786 (2008: £35,169).

14. Post balance sheet event

Since the balance sheet date the charity received a legacy of £90,000 from the Estates of Nicholas and Geraldine Roderey.