

WRITERS & SCHOLARS EDUCATIONAL TRUST
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

Charity Number: 325003

WRITERS & SCHOLARS EDUCATIONAL TRUST

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2014

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WRITERS & SCHOLARS EDUCATIONAL TRUST

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2014

This was a challenging year for Index. A number of large-scale projects came to an end, and we were not able to replace these funding streams with new sources of income as quickly as hoped. This meant we were forced to make four redundancies towards the end of the year. At the start of the year under review, Index also decided to move from our home at the Free Word Centre to new offices in London Bridge. The reorganisation has reduced our costs by almost a third, putting us in a much stronger position to tackle a tough funding environment in future – as demands on trusts and foundations and other funders rise in line with government budget cuts. We are also pleased to have secured long-term funding commitments from the Arts Council England and Sage Publications for the next three years, as well as from Google and the Fritt Ord Foundation for 2014/15.

The work of Index remains vitally important. As playwright and long-term Index contributor Ariel Dorfman wrote to us earlier this year: “It is the paradox of our time that makes Index so invaluable. Never had we had more chances to communicate, more need to engage with one another, more technological horizons that could lead to a global community. And never before have we had more challenges and threats and surveillance conspiracies against free expression.” We were delighted to be recognised for our work by German PEN during the year, which awarded Index the prestigious Hermann Kesten Award, presented annually to individuals or organisations that have shown outstanding efforts in support of persecuted writers. In particular, the judges recognised Index’s lack of political bias throughout its 40 plus year history.

Through our magazine and website, through our advocacy and events programme, Index remains an important voice in the defence of free expression and in challenging censorship internationally. Readership of the magazine and our social media continues to grow and our reporting and censorship mapping projects are shedding light on many of the unreported stories, trends and themes in censorship worldwide.

David Aaronovitch

WRITERS & SCHOLARS EDUCATIONAL TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2014

The Trustees submit their annual report and the financial statements of the charity and group (consisting of Writers and Scholars Educational Trust and its subsidiary – Writers and scholars International Limited) for the year ended 31 March 2014.

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

CHARITABLE PURPOSE OF WRITERS AND SCHOLARS EDUCATIONAL TRUST (INDEX ON CENSORSHIP)

Our charitable deed states:

'Such charitable purposes including the advancement and promotion by teaching, lecturing and publishing or disseminating in written or spoken form or otherwise as in the absolute discretion and opinion of the Trustees 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 and the humanities and human rights, the study and promotion of knowledge of the British Constitution and the Constitutional Law of England and of the Universal Declaration Of Human Rights and the European Convention on Human Rights and their application and of comparative studies with similar laws and conventions in other jurisdictions.'

Our Aims

Influence

Index campaigns for change

Index uses the expertise and information gathered in its magazine, in its online reporting, and through specific projects to campaign for change on freedom of expression issues. We achieve this through media campaigns, and by lobbying governments and authorities on specific issues. We work with other organisations to strengthen the power of our advocacy by sharing resources and information.

Inform

Index raises public awareness of censorship

Index seeks to broaden and deepen public understanding of global threats to freedom of expression as the first step to addressing those threats. Without such information, individuals are unable to make the informed decisions that are crucial for full participation in a free society. We raise awareness through an award-winning quarterly magazine, website and social media, through monitoring and reporting of freedom of expression violations, and youth work.

Support

Index supports censored writers and artists

Index supports all those facing censorship and threats to free expression. This includes writers, artists, scholars and freedom of expression campaigners, as well as painters, sculptors, musicians, film makers, theatre directors, actors and anyone else in the creative arts or active in research or teaching who is denied the right of free expression. We achieve this through the publication and promotion of original written material in our magazine and online and by organising the publication, performance or exhibition of banned artists' work, and through our annual Freedom of Expression Awards.

Debate

Index creates and encourages debate

Open debate is a central tenet of free expression. Index actively promotes discussion about the limits and concerns surrounding free expression. We achieve this through regular on-and offline debates, and a dedicated discussion section on our website.

WRITERS & SCHOLARS EDUCATIONAL TRUST

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2014

OVERVIEW OF THE YEAR 2013-14

Fresh challenges emerged for free expression in 2013. The revelations of Edward Snowden over mass surveillance by the United States and United Kingdom raised new questions about threats to freedom of expression in a digital world. Several countries introduced tough new laws to crack down on free speech online, and requests from governments to internet providers to take down content rose. Free expression remained severely constrained in many countries. More than 200 journalists were jailed worldwide and 70 were killed.

Index focused on the growing digital threats to free expression in 2013, with reports on Brazil and India, and events covering Russia, Turkey, and Azerbaijan, as well as mass surveillance. We also continued to focus on authoritarian threats to free expression globally, and on press freedom in the United Kingdom.

ACTIVITIES AND OUTCOMES

1. INFORM

Index on Censorship Magazine

The magazine was awarded the Hermann Kesten literary prize from German PEN in November 2013. We revamped the magazine to feature more content. The new layout has helped increase the magazine's audience, reach and influence.

Summary of our editions

Not Heard?

Nobel Prize winner Amartya Sen's article on press freedom and its value in development was part of a special report that focused on development and free speech. The magazine considered minorities who are ignored, suppressed or discriminated against and included articles from India, China, Brazil, Mali, Egypt and South Africa. The issue was launched with a keynote speech by campaigner Sarah Brown at a school in south London, with pupils attending workshops given by Index.

Mission Creep

The issue's special report explored religion and freedom of expression. We looked at the persecution of religions around the world, including the Bishop of Bradford's account of Christians in Sudan. We featured an interview with UK playwright Gurpreet Kaur Bhatti, a decade after her play Behzti was pulled following complaints from the Sikh community. We also published, for the first time in English, an extract from Lebanese playwright Lucien Bourjeily's banned play. The issue was launched at Waterstones Piccadilly with a debate on religion

The War Of The Words

Ahead of the centenary of the start of World War I, our special report in the magazine looked at propaganda and censorship during conflict. BBC foreign correspondent Lyse Doucet explored changes in war reporting, and other leading writers explored questions of propaganda and the role of films and posters. This issue of the magazine formed the basis of panel discussions at book festivals in Hay, Prague and Leeds.

Brick By Brick

The special report was themed on the 25th anniversary of the fall of the Berlin Wall. Our Generation Wall feature included first-person accounts of young people who have grown up in a new Europe. Dame Janet Suzman wrote for us on South African theatre under apartheid and the culture section included short stories, written exclusively for Index, by Costa first novel winner Christie Watson and Turkish novelist Kaya Genc. This issue was launched at the Goethe Institute, with a panel including the director of the Victoria and Albert Museum.

Magazine Readership

More people were reading an article from the magazine via the Sage website in March 2014 than in the January-March quarter as a whole for the last four years. Some 16,360 articles were read in the month compared to 7,884 in March 2013. Additionally, there were 2,100 page views over an eight day period for a Gabriel Garcia Marquez article from the magazine that we featured on our website marking his passing. We are exploring new ways to reach audiences with the magazine, including partnerships with leading national newspapers in India, South Africa and the United States.

WRITERS & SCHOLARS EDUCATIONAL TRUST

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2014

Online

Index's website (www.indexonensorship.org) had a particularly strong year following its redesign, which has led to increased viewing figures. Our Google page rank rose from 6 to 7, meaning we are given a higher prioritisation in their rankings. We held several online events with high profile freedom of expression experts and preserved these in video to provide continued access to viewers. We also launched a Youth section of the site.

We continued to grow our international coverage and present new voices from around the world, enabled by funding from OSF Media Programme and The David and Elaine Potter Foundation. We worked with regional correspondents from Brazil, South Africa, India, Russia, China and Egypt, while publishing a wider set of voices and contributors including from southeast Asia, Africa, Pakistan, and the Middle East. We developed several cross-posting relationships; with Think Africa Press; Open Democracy; and U.S. policy magazine, the Pacific Standard.

Our Young Writers and Artists Programme went online in February 2014, where we are publishing articles by new writers under the age of 25. These pieces have been on subjects as diverse as gay rights in Lebanon, the art of Ukraine's Euromaidan protest and the student protests in Venezuela. We've also published editorial cartoons and poetry from younger contributors. The programme continues to draw new participants and will help the website become a destination for up and coming writers.

Readership and social media

Our daily "floor" – the number of page views on the site that we can reasonably expect on a typical weekday – has increased to 2,000. In January 2014, the site recorded 77,845 visitors and 106,829 page views – both records. This was partly driven by the ongoing narrative we established on the stories of our Awards nominees. Our social media channels continued to grow: on Twitter, we now have more than 21,500 followers (up from 13,500 in March 2013); on Facebook we now have more than 5,730 fans (Up from 2,700 in March 2013).

2. SUPPORT

The Freedom of Expression Awards

Hosted in the prestigious central London Barbican complex, this year's Freedom of Expression Awards were described by one former Index chair as "the best ever." In the run-up to the event we focused on the personal stories of all 17 nominees, featuring video interviews and articles, and introduced several innovations, including public voting to decide the winner in our Digital Advocacy category.

The other Awards were judged by a panel that included playwright Howard Brenton, journalist Samira Ahmed, Omidyar Network's Stephen King, and Edward Fitzgerald QC. We are grateful to the support of Doughty Street Chambers (sponsors of our Advocacy Award), Google (sponsors of our Digital Advocacy Award), Guardian (sponsors of our Journalism Award) and to general sponsors Sage Publications.

Award winners

Journalism: Azadliq, Azerbaijan

One of the few remaining independent media outlets in Azerbaijan, Azadliq has continued to report on government corruption and cronyism in spite of increasing pressures and a financial squeeze enforced by the authorities.

Advocacy: Shahzad Ahmad, Pakistan

Shahzad Ahmad leads the fight against online censorship in Pakistan. He has sued the Pakistani government over their suspected use of surveillance software, FinFisher, and he is also suing the government over its ongoing blocking of YouTube which deprives the people of Pakistan of one of the world's most popular video channel.

Arts: Mayam Mahmoud, Egypt

Hijab wearing Egyptian rapper Mayam Mahmoud uses hip-hop to address issues such as sexual harassment and to stand up for women's rights in the country that, after the hope of Tahrir Square, is slipping back into authoritarianism. According to a recent UN survey, 99.3% of women reported being sexually harassed.

Digital Activism: Shubhranshu Choudhary, India

Shu is the brains behind CGNET SWARA (Voice of Chhattisgarh) a mobile-phone service that allows citizens to upload and listen to hyper-local reports in their local language, thus circumventing India's strict radio licencing and creatively providing an outlet for overlooked people on the wrong side of the digital divide.

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2014

Digital Activism: Shubhranshu Choudhary, India

All four category winners were present for the ceremony and more nominees than at any previous ceremony were able to attend. The choice of the Barbican Centre allowed us to screen professionally produced films telling all 17 of the Awards nominees' stories. For the first time there was also a live performance by Egyptian rapper Mayam Mahmoud, who won in the Arts category.

We showcased past Awards winners through an animated 'roll call of honour' and the Awards themselves were live-tweeted to an international audience. The full Awards Ceremony was broadcast live on radio and online as part of a special two hour package by independent radio station Resonance FM. The winners received coverage with the BBC, CNN, Al Jazeera and numerous outlets in the nominees' home countries.

Youth

Index has developed a dedicated programme of youth work to help raise awareness of freedom of expression issues among a younger generation, and to help inform our own policy development agenda. An international youth advisory board, made up of young people aged between 16 and 25 meets online via Google Hangout once a month to discuss areas of free expression of interest to them and to advise Index on key issues facing this age group.

We also commission and publish on our website work from this age group under our Young Writers And Artists programme, which has already produced more than 25 articles since it was launched in February 2014, including original cartoons and poetry.

Our online debate platform Draw the Line was launched in June 2014. Each month, the youth board agrees a topic for discussion and we promote and curate the debate on it online using social media. Topics have included the question of whether art or journalism can ever be considered terrorism, and the involvement of free speech offending countries in international sporting events. We also host one on- or offline event with young people a month. Recent examples of events include a workshop with charity Teens and Toddlers on whether free speech-offending countries should host international sporting events and two debates with young people from local London boroughs on whether art or journalism can ever be terrorism.

In addition, Index is seeking specific funding from UK-based organisations to extend its highly successful Tripwires project, which helped young people to explore freedom of expression through theatre.

3. INFLUENCE

Index worked on a number of national and international campaigns and projects in 2013/14, focused on digital freedom, on challenging authoritarian regimes and on press freedom.

Digital

Index worked with partners from over 40 organisations to launch an international petition to call on the EU's Heads of Government to express their opposition to mass surveillance. The petition was translated into seven languages, with high profile signatories including Stephen Fry. Our partners included Amnesty International, Article 19, PEN International, Reporters Without Borders, Privacy International and the Electronic Frontier Foundation. The petition attracted 7,000 signatures, a front page story in the Guardian and other commentary across Europe.

In December, Index published a broad analysis, the first of its type, on how the EU and its member states are protecting freedom of expression. We also undertook research trips and published policy papers on digital freedom in India and Brazil, exploring how the role these key democracies can play as flag bearers for good internet governance.

Authoritarian

Azerbaijan: In September 2013, Index sent a team to Baku to survey the situation for freedom of expression in the run-up to presidential the elections. The report, *Locking up free expression: Azerbaijan silences critical voices*, was widely cited as evidence that the situation in the country is deteriorating in contrast to the sympathetic assessment wrongly given by a number of European MPs.

Belarus: Index published a comprehensive report on the media freedom situation in Belarus after working closely with the Belarusian Association of Journalists. Index visited Belarus to interview journalists and media to provide evidence for the report. The mission produced new evidence on the increasing paranoia of the regime towards the independent online media. These challenges include repressive legislation, physical attacks with impunity and economic discrimination against independent media. The paper was launched in Minsk, London and the EU in Brussels.

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Civic Solidarity Platform: Funded by OSF, Index managed both English and Russian versions of the Civic Solidarity website, which published articles on different aspects of human rights situation in countries of the OSCE region and activities of Civic Solidarity Platform member organisations. Special attention was paid to developments to the human rights situation in Russia, Belarus, Azerbaijan, Ukraine and Central Asian states. In early 2014, management of the platform moved to Article 19.

Burma: In July 2013, Index launched its report *Burma: freedom of expression in transition*, which analysed the major challenges and opportunities to improve freedom of expression during the country's transition and a report from our Burma arts and free expression symposium, which gave fascinating insight into the impact of rapid political reforms on contemporary artists. We launched a short film directed by artist Htein Lin who was artistic advisor to all our arts work in country.

Our networks and partnerships are ever expanding, as we look to revitalise our part in the Human Rights House network (HQ in Norway) and we have been invited to join the Coordinating Committee for Press Freedom (an international group that includes industry and NGOs – CPJ, RSF and now Index).

United Kingdom Advocacy

Press freedom: Index partnered with the National Union of Journalists, the International Federation of Journalists, the Media Legal Resource Center, the Independent and Mirror Group Newspapers, to intervene in the Judicial Review concerning the detention of David Miranda under Schedule 7 of the Terrorism Act. Our submission detailed our concerns over the inappropriate use of terror laws to examine and confiscate journalistic materials.

We produced a short paper reviewing the current state of the press regulation debate and organised a panel bringing together academic, legal and media commentators to discuss "Life After Leveson". Our paper highlighted our continued opposition to any statutory regulation of the press or political involvement at any level in press regulation.

Arts

We held a roundtable at Tate Britain, featuring discussion with Director of Public Prosecutions Keir Starmer that built on our January 2013 *Taking the Offensive* conference and we are developing guidelines for artists and arts venues in tackling free expression issues. Arts Council Northern Ireland awarded us almost £3000 for a 'Taking the Offensive' conference in Belfast held in May 2014 and Arts Council Wales have awarded us £5000 for a similar conference in Cardiff in November 2014.

We delivered three Tripwires workshops using the techniques of the theatre to explore free expression and censorship issues. Our programme of work to engage younger people in free speech debates (funded by Eranda) has widened to creating an interactive youth section of the website and commissioning the next generation of writers from around the world. We have established a youth advisory council. The members range from age 17 to 25, both UK and internationally based. We will also be producing a multi-media report on youth and free speech. Sage Publications have partnered us in this youth programme.

4. DEBATE

The past year has seen Index develop its range of events to an expanding set of audiences. Whether promoting the magazine, exploring complex topical debates, or highlighting Index's campaigns and priorities, the focus throughout has been on engaging ever more supporters, deepening their support and broadening our partners and networks.

Highlights include:

- **Caught In The Web:** a panel discussion on digital freedom at King's Place in June, hosted by Index's new chair David Aaronovitch and featuring among others author and digital activist Cory Doctorow and award-winning journalist Heather Brooke.
- **Snapshots,** a photo exhibition and Christmas drinks at the ICA, drawing attention to ongoing human rights abuses in Azerbaijan, held in partnership with Platform and Art for Democracy.
- **Authorodoxy:** a sold-out launch event for the winter magazine held in partnership with 3 Faiths Forum featuring commentators and comedians discussing faith and free expression.
- **After Leveson: Media Freedom in the UK** held in partnership with Doughty St Chambers, bringing together the full range of stakeholders in this debate.

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2014

4. DEBATE

- 2020 Vision: an event bringing together Google and Facebook with other international voices to ask who runs the internet now and to explore who ought to own it in future? This was accompanied by a series of online events, interviewing Frank La Rue, debating UK vs US media freedom with Guardian journalist James Ball and LA Times bureau chief Henry Chu, and a discussion between Open Rights Group and Privacy International.

PLANS FOR 2014/15 AND BEYOND

Index CEO Kirsty Hughes stepped down in April 2014. Her successor, Jodie Ginsberg, joined the organisation in May 2014. In 2014/15, the organisation will focus on consolidating its core operations: on driving up readership of the magazine, on developing the website to produce more multimedia content, and on growing our flagship Freedom of Expression Awards into a full fellowship programme.

We will continue to focus on emerging freedom of expression threats, particularly on areas and themes where we perceive a gap in coverage. These include threats to non-written forms of expression, and on ways in which freedom of expression is being used actively to promote change (such as the use of artistic expression to challenge rising violence against women in Egypt).

We will use innovative forms of reporting – such as interactive web documentaries – and look to revive the Index tradition of supporting writers and artists through staging plays, performances and exhibitions.

We will also develop our monitoring work, including extending our media mapping project, which is already yielding new information about censorship threats.

FUNDRAISING

We are grateful to the continued support of Arts Council England, the DOEN Foundation, Doughty Street Chambers, the Elaine and David Potter Foundation, the Eranda Foundation, the European Commission, Fritt Ord, Google, The Guardian, David McCune, OSF, and Sage Publications.

Fundraising 2013/14

Grants and Donations

Total income raised was down from £1.13million to £817k, largely because of less project funding, but this was offset by the concomitant lowering of costs associated with such project activity. Funding for our Tunisia Project (EU), UK Libel Reform (OSF), Burma (OSF and SIDA) all ended as these projects were brought to successful completions. We secured new project funding from the EU for our "Taking Action and Mapping Violations of Media Freedom and Plurality In Europe" work. Although our overall reserves were reduced this year by a deficit on fundraising, most of that was due to restricted reserves for activity work being used as we brought these projects to a completion.

Core funding from OSF, Fritt Ord, Rausing Trust and Google were all at reduced levels from previous years, in line with many organisations within the sector. However we did secure a new grant from the David and Elaine Potter Foundation and going into the next financial year we have already secured a new core grant from the Alan and Babette Sainsbury Charitable Fund. Donations were up considerably, reflected in that we were able to meet the matched funding target from the Catalyst scheme a year early. Also under the grant portion of the scheme we have been able to put into place a strategy for targeting high net worth individuals and anticipate seeing some successful returns from this in the next financial year.

Sponsorship for the annual Index Freedom of Expression Awards was maintained at the previous level, although for the second successive year the Arts award remains without a sponsor. Pledges on the night raised £4,000, which was up on last year, though ticket sales were down by £4,000. We completed the third year of our successful partnership with Liverpool John Moores University for a part-funded internship position at Index and are delighted that it will continue into the next year.

FINANCIAL REPORT

The Trustees report that the financial figures reflect the organisation's reduced level of core funding this year and the steps taken to minimise the deficit. The Group posted a deficit of the order of £34,887, although £21,418 of this was represented by using up restricted funding on charitable activities, so that the unrestricted funds level only dropped by £7,239 to a level of £78,729, which constitutes the charity's level of free reserves.

WRITERS & SCHOLARS EDUCATIONAL TRUST

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2014

Writers and Scholars International Limited made a loss of £27,235 in the year, taking its level of negative reserves to £41,274. The Charity issued a letter of support to the Company in this respect. The consolidated unrestricted reserves level has fallen from £72,109 to £35,744. 2014/15 will see a concerted effort to not only make good the drop in the level of reserves recorded this year, but also to build them up towards the stated target (see next section below).

Consolidated group income was £817,087, down on 2012/13 by £315,302. This represented both a drop in core funding of the order of £110,000 and lower project income of the order of £230,000 particularly as our EU funded three year Tunisia project had come to an end the previous year which had come to represent a significant proportion of our project income. However, it should be emphasised that our voluntary income increased this year by £60,000 reflecting the capacity building enabled under the Arts Council's Catalyst Scheme and which we anticipate to yield greater income in the next financial year. It should be noted that provision has been made with regard to the value of the declared final invoice to the EU against potentially disallowable expenditure, which are still being negotiated with the EU.

Consolidated total resources expended were £874,780 compared with £1,116,597 the previous year. Again this represents the reduced expenditure on project activity, particularly with the end of the EU Tunisia project. Costs of generating voluntary income increased by £14,000 representing the increased capacity enabled under the Catalyst scheme. We anticipate seeing increased voluntary income being raised in 2014/15 as there is an inevitable time investment in building up the relations with major donors, with the groundwork for this being laid within the financial year being reported on. It should also be noted that costs this year included redundancy for four staff members and the costs of moving office which accounted for £10,000 extraordinary expenditure this year.

The inter-company position showed a relatively small annual movement, the closing balance showing at £10,421 owed by the Company to the Charity, representing a change in the circumstances with the move to new premises, whereby most of the associated costs of rent and leases are held with the Charity and recharged to the Company.

Reserves policy

The reserves policy was reviewed by the Index Board and a fresh calculation of the desired level of reserves was made, based on a consideration of at-risk funding. The Board felt this was a more systematic and measurable way of arriving at a reserves target than previously undertaken. The target arrived at was £150,000, which equates to three months operating costs at the current level. However, with the downsizing that followed, together with a recalculation of the at-risk funding according to the result of bid applications, that figure was brought down to £130,000 still representing three months operating costs. As we are short of that target at present, the target will remain in place for the next two years and the level reviewed then. We have now made an annual budgetary commitment to boost the level of reserves towards its target level.

Public Benefit Statement

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011, to have due regard to the Charity Commission's general guidance on public benefit. The Trustees ensure that this purpose is carried out by the performance of services valued by the public both in the UK and internationally.

Both forms of editorial content (online and print) offer the highest quality of commissioned journalism and analysis, providing viewpoints from all parts of the spectrum of any free expression debate. Our expert editorial filter of censorship issues can be used to help those interested in free expression find contextualised and verified information in support of free speech. We augment the news, picking the most important and most interesting free expression stories and pushing them out to a wider audience. The interest shown by the public in several of the current debates around free expression throughout all media has been particularly well served by the Charity. Index has been at the forefront of many of such debates, able to deliver them in accessible form, through editorial content and events showcasing key figures from relevant fields and disciplines. This year we have mounted several debates within the realm of the digital world, helping people consider the complicated issues around online activity and rights, if which they may not be fully aware. Index provides most of its events free of charge so that there is no economic barrier to entry. We also have extended geographical access to our debates by conducting several of them online through Google Hangouts and a preserved record of the conversations is accessible through our website and YouTube channel.

The research and articles published in *Index on Censorship* magazine are of direct relevance to specialist professionals in law, media and academia, but they also serve to deepen the knowledge and advance learning of the broader public, in the understanding and analysis of human rights. Extracts from the magazine continue to be offered for free on our website. Rising followers and web viewing figures attest to the widening of our audience.

WRITERS & SCHOLARS EDUCATIONAL TRUST

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2014

Public Benefit Statement

Our archive is available to the public without restriction via the Bishopsgate Institute, and this represents our body of work on free expression over the last 40 years. There is also our archive of articles, interviews, policy papers, audio-visual content available for free on our website.

Index continues to bring material to under-represented communities in the freedom of expression debate, and will continue to look to expand its reach towards greater numbers of young people and people involved in education this year, with a series of participation debate events, some of which will be hosted online. We have worked directly with a number of youth agencies and continue to listen to their requirements in the free expression realm and tailored our approach to reflect these needs.

Index supports key professionals and decision makers in the arts sector through case studies and conferences, helping them to protect and promote freedom of expression to their own audiences. As part of Index's media strategy, this year we have secured greater media coverage in UK tabloids and middle market newspapers, taking free speech arguments to a wider audience in terms of numbers and demographics.

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 Chair 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 no upper limit on the number of Trustees. Trustees meet four times a year to review strategy, risk and performance and to approve the operating plans and budgets. The majority of Trustee meetings take place at Writers and Scholars Trust's offices, 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 two weeks 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 seven days, for approval at the subsequent Trustee meeting.

The trustees have given consideration to the major risks to which the charity is exposed and satisfied themselves that systems or procedures are established to manage those risks. The management team carried out an annual review of our risk register and this review was approved by the Trustees. The assessment showed that while several listed risks (security (IT), reputational (complaints from end users); financial (loss of funding); loss of key personnel; staff morale) had come to pass, our planned responses in these matters were timely, robust and minimised the impact.

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 risk

WRITERS & SCHOLARS EDUCATIONAL TRUST

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2014

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 that 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;
- observe the methods and principles in the Charities SORP;
- 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 to ensure that the financial statements comply with the Charities Act 2011. 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.

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.

AUDITORS

haysmacintyre were reappointed auditors in the year and a proposal for their reappointment will be put to the Trustees.

Approved by the Board on 25 September 2014 and signed on its behalf by:

David Aaronovitch
Chair



WRITERS & SCHOLARS EDUCATIONAL TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 MARCH 2014

Status

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

Trustees

David Aaronovitch (Chair)
David Membrey
Katie King (resigned 5th June 2014)
Matthew Parris
John Kampfner (resigned 12th September 2013)
Elaine Potter
David McCune
David Schlesinger
Maya Wolfe-Robinson

Management

Jodie Ginsberg – Chief Executive
David Sewell – Finance Director
Rachael Jolley – Editor, *Index on Censorship magazine*
Sean Gallagher – Editor, *Online and News*

The principal address and contact details

92 -94 Tooley Street
London
SE1 2TH
Telephone: 020 7260 2660
E-Mail: kirsty@indexoncensorship.org

Auditors:

haysmacintyre, 26 Red Lion Square, London, WC1R 4AG

Bankers:

Triodos Bank NV, Brunel House, II The Promenade, Bristol, BS8 3NN

Solicitors:

Bindmans LLP, 275 Gray's Inn Road, London, WC1X 8QB

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF WRITERS & SCHOLARS EDUCATIONAL TRUST

We have audited the financial statements of Writers and Scholars Educational Trust for the year ended 31 March 2014 which comprise the Statement of Financial Activities, the Group and Charity Balance Sheets, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with the regulations made under the Charities Act 2011. 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

As explained more fully in the Trustees' Responsibilities Statement set out on page 13, the trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 judgements 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.

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charity's affairs as at 31 March 2014, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF WRITERS & SCHOLARS EDUCATIONAL TRUST (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

haysmacintyre

haysmacintyre
Chartered Accountants
Registered Auditors

Date: *25th September 2014*

26 Red Lion Square
London
WC1R 4AG

WRITERS & SCHOLARS EDUCATIONAL TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2014

	Notes	Unrestricted Funds 2014 £	Restricted Funds 2014 £	Total Funds 2014 £	Total Funds 2013 £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income	2	613,277	-	613,277	581,964
Activities for generating funds – fundraising events		58,489	-	58,489	67,249
Investment income		36	-	36	300
Incoming resources from Charitable activities	3	145,285	-	145,285	482,876
TOTAL INCOMING RESOURCES		<u>817,087</u>	<u>-</u>	<u>817,087</u>	<u>1,132,389</u>
RESOURCES EXPENDED					
Cost of generating funds					
Costs of generating voluntary income	4	136,620	-	136,620	122,134
Cost of fundraising events	4	32,589	-	32,589	48,773
Charitable activities	4	673,338	21,418	694,756	934,452
Governance costs	5	10,815	-	10,815	11,238
TOTAL RESOURCES EXPENDED		<u>853,362</u>	<u>21,418</u>	<u>874,780</u>	<u>1,116,597</u>
NET (OUTGOING)/INCOMING RESOURCES		(36,275)	(21,418)	(57,693)	15,792
RECONCILIATION OF FUNDS					
Total funds brought forward		72,019	23,505	95,524	79,732
TOTAL FUNDS CARRIED FORWARD		<u>£35,744</u>	<u>£2,087</u>	<u>£37,831</u>	<u>£95,524</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

GROUP AND CHARITY BALANCE SHEETS

AS AT 31 MARCH 2014

	Notes	Group		Charity	
		2014 £	2013 £	2014 £	2013 £
FIXED ASSETS					
Tangible assets	7	16,640	6,420	174	-
CURRENT ASSETS					
Debtors	8	110,488	113,520	40,434	42,960
Cash at bank and in hand		84,036	90,610	83,834	87,475
		<u>194,524</u>	<u>204,130</u>	<u>124,268</u>	<u>130,435</u>
CREDITORS: Amounts falling due within one year	9	<u>(173,333)</u>	<u>(115,026)</u>	<u>(43,626)</u>	<u>(20,874)</u>
Net current assets		<u>21,191</u>	<u>89,104</u>	<u>80,642</u>	<u>109,561</u>
NET ASSETS		<u>£37,831</u>	<u>£95,524</u>	<u>£80,816</u>	<u>£109,561</u>
FUNDS					
Unrestricted income funds	10	35,744	72,019	78,729	86,056
Restricted income funds	11	2,087	23,505	2,087	23,505
TOTAL FUNDS		<u>£37,831</u>	<u>£95,524</u>	<u>£80,816</u>	<u>£109,561</u>

The accounts were approved by the Trustees and authorised for issue on 25 September 2014 and signed on its behalf by:

David Aaronovitch
Chair

David Membrey
Treasurer

WRITERS & SCHOLARS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2014

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. Assets acquired with a value of less than £100 are not capitalised but are written off as revenue expenditure.

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	10% straight line

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 are recognised in the accounts as they 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 regulations.

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.

WRITERS & SCHOLARS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2014

1. ACCOUNTING POLICIES (continued)

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 2014. 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.

2. VOLUNTARY INCOME

	2014	2013
	£	£
Donations	313,669	68,430
Grants:		
Eranda Foundation	60,000	60,000
David & Elaine Potter Foundation	35,000	-
Rausing Trust	-	47,918
Google	-	47,765
Fritt Ord	50,000	-
Arts Council	-	55,000
Other grants	-	-
Grants received by Writers & Scholars International Limited	154,608	302,851
	<u>£613,277</u>	<u>£581,964</u>

All voluntary income received in 2014 and 2013 was unrestricted.

WRITERS & SCHOLARS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2014

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES	Unrestricted Funds	Restricted Funds	2014	2013
	£	£	£	£
Grants				
Youth & Censorship:				
Esmeé Fairbairn Foundation	-	-	-	160
Liverpool John Moores University	6,033	-	6,033	6,033
York University	-	-	-	3,550
Ace Arts Conference	-	-	-	20,000
SIDA - Burma Arts	-	-	-	55,557
OSF Burma	-	-	-	15,241
Free word	-	-	-	10,700
Ignite	-	-	-	1,180
Sage	-	-	-	4,000
Writers & Scholars International -				
Project grants	47,016	-	47,016	277,303
Publishing fees and royalties	90,853	-	90,853	88,053
Event income	5	-	5	748
Other direct income	1,378	-	1,378	351
	<u>£145,285</u>	<u>£ -</u>	<u>£145,285</u>	<u>£482,876</u>

4. ANALYSIS OF EXPENDITURE	Direct Costs	Support Costs	Total 2014	Total 2013
	£	£	£	£
Charitable activities:				
Publications	122,757	168,991	291,748	210,952
Projects	169,190	233,818	403,008	723,500
	<u>291,947</u>	<u>402,809</u>	<u>694,756</u>	<u>934,452</u>
Costs of generating voluntary income	45,241	91,379	136,620	122,134
Cost of fundraising events	32,589	-	32,589	48,773
Governance costs	10,815	-	10,815	11,238
TOTAL	<u>£350,592</u>	<u>£494,188</u>	<u>£874,780</u>	<u>£1,116,597</u>

SUPPORT COSTS CONSIST OF:

	2014	2013
	£	£
Staff costs	363,310	225,185
Premises	58,854	60,604
Office and administration	60,869	57,886
Currency exchange differences	2,708	667
Irrecoverable VAT	3,445	8,923
Depreciation	5,002	2,610
	<u>£494,188</u>	<u>£355,875</u>

WRITERS & SCHOLARS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2014

5. GOVERNANCE COSTS	2014	2013
	£	£
Auditor's remuneration	10,533	11,149
Trustees expenses	282	89
	<u>£10,815</u>	<u>£11,238</u>

Other fees payable to the auditors amounted to £2,288 (2013 - £2,650)

No trustees received any remuneration during the year (2013 – nil) and one trustee was reimbursed £282 for travel costs (2013 – one trustee was reimbursed £89 for travel costs).

6. EMPLOYEES	2014	2013
	£	£
Group staff costs were as follows:		
Wages and salaries	497,499	522,681
National insurance contributions	53,988	53,886
Pension contributions	8,011	6,771
Contract staff	6,195	16,923
	<u>£565,693</u>	<u>£600,261</u>

The average weekly number of employees during the year were as follows:

	No.	No.
Charitable activities	10	11
Management and support	3	3
	<u>13</u>	<u>14</u>
Number of employees earning between £60,000 - £69,999	<u>1</u>	<u>1</u>

7. FIXED ASSETS	Fixtures and Fittings	Computers	Total
Group	£	£	£
Cost			
At 1 April 2013	1,106	11,374	12,480
Additions	9,220	6,002	15,222
At 31 March 2014	<u>10,326</u>	<u>17,376</u>	<u>27,702</u>
Depreciation			
At 1 April 2013	1,024	5,036	6,060
Charge for the year	967	4,035	5,002
At 31 March 2014	<u>1,991</u>	<u>9,071</u>	<u>11,062</u>
Net Book Value			
At 31 March 2014	<u>£8,335</u>	<u>£8,305</u>	<u>£16,640</u>
At 31 March 2013	<u>£82</u>	<u>£6,338</u>	<u>£6,420</u>

WRITERS & SCHOLARS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2014

7. FIXED ASSETS (continued)			Fixtures and Fittings £	Total £
Charity				
Cost				
At 1 April 2013			-	-
Additions			192	192
At 31 March 2014			<u>192</u>	<u>192</u>
Depreciation				
At 1 April 2013			-	-
Charge for the year			18	18
At 31 March 2014			<u>18</u>	<u>18</u>
Net Book Value				
At 31 March 2014			<u>£174</u>	<u>£174</u>
At 31 March 2013			<u>£ -</u>	<u>£ -</u>
8. DEBTORS	Group		Charity	
	2014	2013	2014	2013
	£	£	£	£
Trade debtors	67,758	14,536	5,710	2,150
Prepayments	12,939	1,706	12,104	442
Accrued income	19,066	85,073	1,514	29,163
Other debtors	10,725	12,205	10,685	11,205
Due from Writers and Scholars International Limited	-	-	10,421	-
	<u>£110,488</u>	<u>£113,520</u>	<u>£40,434</u>	<u>£42,960</u>
The following debtors included above are due in more than one year:	Group		Charity	
	2014	2013	2014	2013
	£	£	£	£
Rent deposit	<u>£10,000</u>	<u>£10,000</u>	<u>£10,000</u>	<u>£10,000</u>
9. CREDITORS: amounts falling due within one year	Group		Charity	
	2014	2013	2014	2013
	£	£	£	£
Trade creditors	16,994	8,806	9,070	1,337
Bank overdraft	38,149	430	-	-
Taxation and social security	10,118	10,361	10,118	10,361
VAT due	2,844	16,121	-	-
Accruals	39,598	31,341	24,438	5,919
Deferred income	65,630	47,967	-	-
Writers & Scholars International Limited	-	-	-	3,257
	<u>£173,333</u>	<u>£115,026</u>	<u>£43,626</u>	<u>£20,874</u>

WRITERS & SCHOLARS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2014

10. UNRESTRICTED INCOME FUNDS - GROUP	WSET	WSIL	TOTAL
	£	£	£
Balance brought forward	86,058	(14,039)	72,019
Net incoming/(outgoing) resources	(9,040)	(27,235)	(36,275)
Balance carried forward	<u>£77,018</u>	<u>£(41,274)</u>	<u>£35,744</u>

11. RESTRICTED FUNDS	Balance at	Incoming	Outgoing	Balance at
	1 April	Resources	Resources	31 March
	2013	£	£	2014
	£			£
Ten Feet Away	2,087	-	-	2,087
SIDA - Burma Arts	15,045	-	(15,045)	-
OSF Burma	6,373	-	(6,373)	-
Total	<u>£23,505</u>	<u>£ -</u>	<u>£(21,418)</u>	<u>£2,087</u>

Nature and purpose of each fund:

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.

Burma Arts – is a programme of in-country artistic performances and activities funded by SIDA.

OSF Burma – The Burma Art of Transition was a symposium in Rangoon bring together Burmese political leaders, journalists, academics, lawyers and artists from all parts of the arts spectrum, to discuss the current and future state of arts in their country in the light of its political transition.

12. 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. All activities of the subsidiary have been consolidated on a line by line basis in the SOFA.

	2014	2013
	£	£
PROFIT AND LOSS ACCOUNT		
Turnover	294,460	669,306
Cost of sales	(253,009)	(565,346)
Gross profit	<u>41,451</u>	<u>103,960</u>
Overhead expenditure	(68,686)	(104,978)
Operating (loss)	<u>(27,235)</u>	<u>(1,018)</u>
Interest receivable	-	103
(Loss) for the financial year	<u>£(27,235)</u>	<u>£(915)</u>

WRITERS & SCHOLARS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2014

12. WRITERS AND SCHOLARS INTERNATIONAL LTD (continued)	2014	2013
	£	£
BALANCE SHEET		
Fixed assets	16,465	6,420
	<hr/>	<hr/>
Current assets	81,278	76,949
Creditors falling due within one year	(139,017)	(97,408)
	<hr/>	<hr/>
Net Current Liabilities	(57,739)	(20,459)
	<hr/>	<hr/>
Capital and reserves	£(41,274)	£(14,039)
	<hr/>	<hr/>

Transactions

During the year expenditure of £11,300 (2013: £38,277) 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 £10,421 (2013: due to Writers & Scholars International Limited £3,257).

13. RELATED PARTY TRANSACTIONS

David McCune who is the co-owner of Sage Publishing, the existing publisher of *Index on Censorship*, is a trustee of the charity. He also donated a sum of £200,069 (2013 - £20,000) to the charity in the year.

