

WRITERS & SCHOLARS EDUCATIONAL TRUST
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

Charity Number: 325003

WRITERS & SCHOLARS EDUCATIONAL TRUST
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WRITERS & SCHOLARS EDUCATIONAL TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2018

ABOUT INDEX ON CENSORSHIP

Index on Censorship is a non-profit organisation that campaigns for and defends freedom of expression worldwide. We believe that everyone should be free to express themselves without fear of harm or persecution – no matter what their views. Our aim is to raise awareness about threats to free expression and the value of free speech as the first step to tackling censorship. To do this, we publish work by censored writers and artists, promote debate, and monitor threats to free speech.

OUTGOING CHAIR'S STATEMENT

It is five years since I took the helm of Index on Censorship. In that time, I have seen threats old and new surface to challenge free speech. From the killings at French satirical magazine Charlie Hebdo - which caused such shockwaves across the world that, in the months afterwards, many of us who spoke publicly at events on the issue did so with armed security - to the verbal attacks on the press from the Donald Trump and the arrests of hundreds of journalists in Turkey, to the detention of cartoonists in Equatorial Guinea and the jailing of human rights defenders in Bahrain -- it has been a period that has proved time and again why we need to continue to defend a right that so often many of us take for granted.

I am proud of all that Index has achieved in the last five years. We have campaigned successfully on behalf of individuals like cartoonist Ramon Esono Ebale, released after spending six months in a Malabo jail on false charges. We have transformed our annual Freedom of Expression Awards into a year-long fellowship programme to provide lasting support to the individuals and groups we honour each year. And we have introduced new flagship projects, including training for UK arts organisations on the law and free speech and a platform to monitor media freedom in Europe. Here in the UK, we have continued to be one of the leading voices in defence of press freedom and free expression.

- *David Aaronovitch*

INCOMING CHAIR'S STATEMENT

At a time when the world is beset by conflict, and in many cases repression, the case for diversity of voices globally could not be plainer. Index is the premier organisation backing the voices standing up for free expression, and I feel privileged to be taking on this role and to support the work of Index's outstanding team."

With more than four decades of experience, Index knows both the challenges presented by traditional methods of censorship -- the old authoritarian foes -- but is also highly attuned to threats from new sources. The advent of new technologies has made it more possible for those voices to be heard; but both governments and non-state actors have redoubled their efforts to silence their opponents and Index will redouble its own efforts by adding a focus on digital censorship to its current work programme in the coming year.

We will also be expanding our work to the United States with a new project aimed at introducing university students to issues of international censorship and developing a wider range of spokespeople on freedom of expression.

- *Trevor Phillips*

OUR AIMS

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. We raise awareness through an award-winning quarterly magazine, via our website and social media platforms, through monitoring and reporting of freedom of expression violations, and training and education, and by providing expert comment and analysis to media, academic and research organisations.

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 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 through our annual Freedom of Expression Awards Fellowship.

WRITERS & SCHOLARS EDUCATIONAL TRUST

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2018

OUR AIMS (continued)

Influence

Index campaigns for change

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

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. In 2017/18, we participated in more than 70 events covering everything from book censorship to the role of the arts to media freedom everywhere from Australia to Italy to Georgia. We took part in literary festivals and music festivals, and spoke at theatres, universities and even underground bunkers.

Overview of the year 2017-18

Media freedom came into focus during the year, with the killing of investigative reporter Daphne Caruana Galizia in Malta in October and journalist Jan Kuciak and his partner in Slovakia in February. The trials began of hundreds of journalists arrested in Turkey, and US President Donald Trump came under renewed focus for his persistent criticism of the press.

Index has continued to support calls for swift justice in the case of Daphne Caruana Galizia and in particular is supporting European efforts to end the practice of vexatious lawsuits aimed at silencing journalists. Index is working with Jan Kuciak's colleagues to support efforts to ensure an effective investigation into his murder. Our Turkey Uncensored project publishes interviews online with journalists and others affected by the clampdown on freedom of expression in Turkey. In January, Index took part in an unprecedented press freedom mission to the United States, meeting journalists and lawmakers to assess the situation.

In the UK, Index campaigned actively against attempts to reintroduce section 40 of the Crime and Courts Act, which would have penalised publishers who refuse to sign up to a state-approved regulator. We also continue to lobby against changes to the Counter Terrorism and Border Security Bill, which could hamper investigative journalism and academic research.

ACTIVITIES AND OUTCOMES

INFORM

Magazine

Editor Rachael Jolley was shortlisted for the second year running for Editor of the Year in the Special Interest category of the British Society of Magazine Editors' Awards (winner: 2016) and the magazine has featured in - among others - the Buenos Aires Times, Irish Times, New Statesman, Prospect magazine, LA Review of Books and Mic as well as on broadcasts including Monocle radio and the BBC, as well as festivals including Essex Book Festival, the Hay Festival and Perugia International Journalism Festival. The magazine team now hosts a quarterly live radio show on the theme of the magazine on Resonance Radio.

The magazine is available in more than 9,000 universities worldwide (making it available for free to thousands of students and academics in each site), and more than 2,000 hard copies of the magazine were distributed for free at events globally during the year.

Free to air (Autumn 2017)

We examined the enduring power of radio and how this form of media continues to contribute to freedoms throughout the world. National celebrities Wana Udobang and Xinran discussed their experiences as radio hosts in Nigeria and China respectively and we interviewed radio journalists in Somalia who risk their lives to report independently. Nearly 20 years since Indonesian poet Wiji Thukul disappeared we published some new translations of his poems.

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2018

ACTIVITIES AND OUTCOMES (continued)

What price protest? (Winter 2017)

Fifty years on from 1968 - the year the world took to the streets - we asked whether our rights to protest are endangered today. Author and journalist Robert McCrum revisited Prague to ask whether the Prague Spring is still remembered, while activist Anuradha Roy wrote about why Indian women are taking to the streets. Our Culture section was devoted to a new short story by award-winning author Ariel Dorfman's on Shakespeare, Cervantes and spies.

The abuse of history (Spring 2018)

We explored how governments and other groups are using their power to manipulate history. Historian Lucy Worsley considered Britain's Tudor Court and we met the duo behind a museum in Cuba seeking to re-address the country's dissident past. Plus bestselling Palestinian author Abbad Yahya talked to Index about threats against his life and we published an exclusive short story by award-winning author Christie Watson.

Trouble in paradise (Summer 2018)

Our summer edition took readers on a different kind of holiday. Top Maltese editor Caroline Muscat took us to Malta, the Mediterranean destination where leading journalist, Daphne Caruana Galizia, was brutally murdered 100 metres from her home in 2017. Philippines news outlet Rappler explained why they won't be silenced, and we interviewed bestselling authors Ian Rankin and Victoria Hislop.

Tim Hetherington fellowship

The Tim Hetherington Fellowship is a year-long paid internship with the editorial team at Index on Censorship, run in partnership with Liverpool John Moores University (LJMU) and the Tim Hetherington Trust.

Awarded each year to a current student or recent graduate of LJMU, the fellowship -- named after photojournalist, filmmaker and artist Tim Hetherington -- offers hands-on journalism experience. Fellows report on national and international free expression issues in Index's award-winning quarterly magazine and on our website. They also work closely with creative writers, artists and authors who have faced censorship.

"You couldn't really ask for a better introduction [to media], because you've got so much experience there ...Being such a small team you have a lot of input, and your presence and your input is really valued." Kieran Etorio-King, 2017 Tim Hetherington Fellow

Online

Our website and social media accounts provide us with a vital platform to showcase our advocacy, magazine and events work as well as to report on and analyse topical freedom of expression threats and issues as they arise. Average monthly page views for the 12 months to 31 July are 93,514 compared to 56,977 in the same period a year earlier.

Our Facebook page has 11,000 likes and our main Twitter account has 64,000 followers. In 2018/19 we will be placing additional focus on boosting our social media reach through use of video and images. We have also launched a quarterly magazine podcast on [Soundcloud](#) and an [Instagram](#) account.

Index aims to be an important resource for those seeking information about censorship and in particular for practical, real-life examples of those tackling it. During the period, Index launched three projects aimed at doing just that.

The Journalists' Toolbox section brings together a collection of articles from Index on Censorship correspondents. Articles are published in three languages, Russian, Spanish and Arabic, and are researched and written by experienced and in some cases award-winning reporters who have a reputation for excellence. The Journalists Toolbox aims to share experience and knowledge between journalists and other writers around the world to help them tackle similar problems.

Project Exile

Index on Censorship has partnered with the University of Missouri's [Global Journalist](#) news website and radio show to tell the stories of journalists who have been forced into exile for their reporting. Since January 2018, we have published 14 stories of journalists subjected to campaigns of harassment and intimidation over their work in countries from Azerbaijan to Zimbabwe.

WRITERS & SCHOLARS EDUCATIONAL TRUST

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2018

ACTIVITIES AND OUTCOMES (continued)

Turkey Uncensored

Turkey Uncensored is an online project publishing articles from censored Turkish writers, artists and translators, with a particular focus on stories that are little covered elsewhere, such as the plight of Kurdish reporters.

Turkey Uncensored is our response to the unparalleled level of attacks on media freedom in the country in which hundreds of journalists have been detained, arrested and jailed, media outlets closed and thousands of journalists and academics have their jobs.

Mapping Media Freedom

Mapping Media Freedom monitors threats to media freedom in the European Union -- and neighbouring and candidate countries -- to help build an accurate picture of the state of media freedom in the region. Correspondents covering 43 countries file reports on violations that include everything from legislative changes to online harassment. The information is searchable by country and type of incident and is intended to provide policymakers and others with detailed information about trends.

So far in 2018, 597 reports have been submitted to the map.

The project has helped identify trends such as the growing attacks on journalists investigating corruption and the increased use of anti-terror legislation to target the media. Incidents reported to the map are also escalated to bodies such as the Council of Europe. In the first half of 2018 Index has submitted or co-sponsored submission of 30 cases to the Council's Platform for the Safety of Journalists. Index also joined other organisations to call on the parliamentary assembly of the Council to appoint a rapporteur on political prisoners in Azerbaijan, who include investigative journalist Afgan Mukhtarli, and welcomed the decision to appoint one in July this year.

In March, Scottish MP Andy Wightman lodged a motion in the Scottish Parliament following Index on Censorship's annual Mapping Media Freedom report, crediting its authors for "their continued endeavours to defend media freedom and protect journalists". Wightman's motion, which received cross party support, noted "the day-to-day challenges facing journalists who are seeking to hold power to account" and criticised the "deliberate silencing of people and organisations by economic, political or criminal interests" through civil litigation and other legal measures.

US Press Freedom

Index was one of six international organisations that took part in an unprecedented press freedom mission to the United States in January 2018, meeting journalists and lawmakers to assess the state of the US media. The mission's report, published on World Press Freedom Day in May showed that President's Trump's attacks on the media were exacerbating an already hostile environment for journalists in the US.

Our mission found other major threats to media freedom in the US included poor policing of journalists at protests, an increase in border stop and searches, and a slow and unresponsive freedom of information system.

Index continues its work monitoring threats to the US media through its partnership on the US Press Freedom Tracker, a project led by the Freedom of the Press Foundation and the Committee to Protect Journalists that documents incidents such as equipment seizures and physical attacks on journalists.

SUPPORT

Index supports individuals and groups facing censorship through its Freedom of Expression Awards Fellowship. Launched in 2015, the awards fellowship offers 12 months of capacity building, coaching and strategic support. This includes everything from help with digital security, to business planning and skills training. Through the fellowships, Index aims to maximise the impact and sustainability of those tackling censorship creatively worldwide.

Awards are offered in four categories: Arts, Campaigning, Digital Activism and Journalism. Anyone who has had a demonstrable impact in tackling censorship is eligible, and preference is given to those who have not received significant support or recognition elsewhere. This year, the winners were honoured at a gala celebration in the May Fair Hotel, London.

Over 200 Index friends and supporters attended the event, which was hosted by stand-up poet Kate Fox, with music from The Turbans.

WRITERS & SCHOLARS EDUCATIONAL TRUST

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2018

ACTIVITIES AND OUTCOMES (continued)

"It was superbly put together combining entertainment and deeply serious and powerful content." - Jonathan Dimbleby

The 2018 fellows are:

Arts | The Museum of Dissidence

A public art project and website celebrating dissent in Cuba, whose organisers have faced repeated arrest over their work. Set up by artist Luis Manuel Otero Alcántara and curator Yanelys Nuñez Leyva, their aim is to reclaim the word "dissident" and give it a positive meaning. The museum organises radical public art projects and installations, concentrated in the poorer districts of Havana.

"This award for us means a lot but it also means a lot to all the artists who have preceded us and who are the reason why we have been able to work with a little bit more freedom and a little less fear." - Luis Manuel Otero Alcántara

Campaigning | Egyptian Commission for Rights and Freedoms

One of the few human rights organisations still operating in a country that has waged an orchestrated campaign against independent civil society groups, ECRF documents cases of enforced disappearance and provides legal support to those affected. Their work has seen them subject to state harassment, their headquarters have been raided and staff members arrested.

"Love and hope are our sole weapons against our greatest enemy fear. Together we will conquer it, and it is not an anticipation, it is a promise." - Ahmad Abdallah, ECRF

Digital Activism | Habari RDC

Habari RDC is a collective of more than 100 young Congolese bloggers and web activists, who use social media to give voice to the opinions of young people from all over the Democratic Republic of Congo. Their site posts stories and cartoons about politics, but also covers football, the arts and subjects such as domestic violence, child exploitation and sexual harassment at work.

"I consider this honour more a recognition than a reward. In my opinion, all the Congolese bloggers are invited on this day to redouble their efforts to make freedom of expression on the internet triumph." - Guy Muyembe, Habari RDC

Journalism | Wendy Funes

Wendy Funes is an investigative journalist from Honduras who regularly risks her life for her right to report on what is happening in the country, an extremely harsh environment for reporters. Funes meets these challenges with creativity and determination. For one article she had her own death certificate issued to highlight corruption. Funes also writes about violence against women, a huge problem in Honduras where one woman is killed every 16 hours.

"...there is always someone willing to extend their hand and say "Come on, it's worth resisting, it's worth dreaming and fighting to transform all of this pain into a reward." A reward which gives me hope."

How the fellowships work: Maldives Independent

Index awarded the 2017 Freedom of Expression Awards Fellowship in Journalism to the Maldives Independent, an English-speaking news website. During the year of their fellowship, Index arranged security training for staff, provided a journalism course led by Index editors, and supported management with business planning and advice.

"This award feels like a lifeline. Most of our challenges remain the same, but this recognition and the fellowship has renewed and strengthened our resolve to continue reporting, especially on the bleakest of days. Most importantly, we no longer feel so alone." - Zaheena Rasheed, former editor Maldives Independent, 2017 Journalism Fellow.

WRITERS & SCHOLARS EDUCATIONAL TRUST

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2018

ACTIVITIES AND OUTCOMES (continued)

INFLUENCE

Index on Censorship is one of the world's leading experts on the principles of freedom of expression. Our advocacy work has three main areas of focus: campaigning on behalf of individuals facing censorship; campaigning and engaging in legal challenges to ensure laws protect the highest internationally agreed norms on freedom of expression; and educating sector leaders on their rights and on best practice for protecting freedom of speech.

Campaigning: individuals

In 2018, Index campaigned on behalf of a number of individuals facing censorship. This included collaborations with groups such as Bahrain Institute for Rights and Democracy on the case of Nabeel Rajab; with EG Justice on the case of cartoonist Ramon Esono Ebale; and with ECRF and Doughty Street Chambers on behalf of Amal Fathy in Egypt. In addition, Index regularly speaks in support of individuals persecuted and prosecuted for exercising their freedom of speech.

Nabeel Rajab

In May, Bahrain's High Criminal Court of Appeal upheld a five-year conviction for human rights activist and Index on Censorship Freedom of Expression Award winner Nabeel Rajab for tweets condemning Saudi-led airstrikes in Yemen and the use in Bahrain's Jau Prison.

Rajab, the president of the Bahrain Center for Human Rights, has been sentenced in all to seven years in prison across two separate trials. In February 2018 he was sentenced to five years in prison for tweeting, which was added to a two-year conviction in June 2017 for "broadcasting fake news" relating to television interviews he gave in 2015.

Index on Censorship has repeatedly raised the case with UK and EU authorities. In September 2017, Index took part in a protest outside the Bahraini embassy calling for his release.

Ramon Esono Ebale

Equatorial Guinean artist Ramón Esono Ebalé, a prominent cartoonist often critical of the government, was arrested on 16 September 2017 and charged almost three months later with counterfeiting around US\$1,800 worth of the local currency.

The judge dismissed the case on February 27, and Esono Ebalé was freed, but he remained effectively trapped in the country because he lacked proper travel documents. He was finally issued a passport on 23 May and left the country five days later.

Throughout this ordeal, dozens of lawyers, cartoonists' rights and human rights organisations, including Index, worked to publicise the case internationally, including with the United Nations and global policymakers.

Amal Fathy

Amal Fathy was arrested in Egypt in May after posting a video criticising sexual harassment in Egypt – of which she herself was a victim – to social media. Police raided their home in the early hours of the morning and took Ms Fathy, her husband Mohamed Lotfy and their three-year-old son to a police station. Mr Lotfy - co-founder of this year's Freedom of Expression fellows ECRF - was released several hours later, but Ms Fathy was charged with membership of a terrorist organisation and other related charges and remains detained.

Doughty Street Chambers, together with Index on Censorship and ECRF, submitted a complaint to the United Nations criticising her arbitrary detention. The groups have also lodged a complaint to the UN rapporteurs on freedom of expression and human rights defenders.

Campaigning: changes to the law

Index recognises that changes to laws relating to freedom of expression and privacy in Europe and the United States are often replicated swiftly elsewhere. We have therefore made it a priority to focus on ensuring legislation in these jurisdictions meets the highest standards. We are extremely grateful to support from Doughty Street Chambers, who have supported us to make a number of submissions to UK parliamentary consultations, as well as legal interventions, on freedom of expression issues.

WRITERS & SCHOLARS EDUCATIONAL TRUST

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2018

ACTIVITIES AND OUTCOMES (continued)

Media

In 2017 and 2018 we were active in opposing the introduction of section 40 of the Crime and Courts Act, which would have meant that any small publisher who refused to sign up to a state-approved regulator could have faced crippling court costs in any dispute, whether they won or lost a case. This would have threatened investigative journalists publishing important public interest stories as well as those who challenge the powerful or the wealthy.

The government announced in March it would not implement section 40. An attempt to reintroduce section 40 “by the back door” via data privacy laws was also defeated.

Index has also played an active role in challenging the UK government’s Counter Terror and Border Security Bill, which includes a number of measures that threaten freedom of expression. Our submission to the bill committee considering the proposed law was cited in evidence by a number of experts, including Independent Reviewer of Terrorism Max Hill QC and Gavin Newlands MP.

Digital

Internationally, Index sits on the board of the Global Network Initiative -- an alliance of non-profit organisations, internet and telecommunications companies and academics -- to develop best practice on ensuring freedom of expression online. In the UK, we are working with a number of organisations including Article 19, Big Brother Watch, Liberty, and ORG to ensure government upholds freedom of expression and privacy rights in any new legislation relating to online content.

Academic

Over the course of the year, Index has been researching the legal framework governing freedom of expression on UK campuses to develop guidelines and advice to support university authorities and students better support free speech on campus. This report will be published in the autumn and we are grateful to Clifford Chance for their support on this work.

Index also contributed a chapter on academic freedom on UK campuses to Project Censored, an annual digest of censorship issues, and, as part of our Turkey Uncensored project, published several interviews with Turkish academics.

Education and training

Index receives frequent requests for advice on freedom of expression issues, both to individuals and organisations. This includes speaking at schools, universities and to sector groups. This year, Index has partnered with a number of organisations, including working with Shakespeare’s Globe on their Shakespeare & Censorship season, the V&A on an exhibition marking 50 years since the Theatres Act, and JW3 on their Uncensored season. Index staff have spoken at a mosque, to a youth group at the English National Opera, and to Commonwealth youth leaders.

Arts workshops

As part of our commitment to supporting arts organisations to put on the widest possible range of creative work, Index on Censorship -- in conjunction with What Next? and Cause4 -- is running a series of workshops intended to support senior managers and boards to navigate risk.

Our workshops “Risks, Rights and Reputations” provide practical advice on best practice in handling difficult subjects and sensitive stories -- and build on the five guidance booklets Index produced in 2015 on Art and the Law.

These workshops, hosted at venues such as HOME Manchester, the Young Vic, and Southbank Centre, are funded thanks to a discretionary grant from Arts Council England.

“In recent years there have been an increasing number of high-profile cases raising ethical and censorship issues around plays, exhibitions and other artworks. Censorship – and self-censorship – can stand in the way of great art. This programme is an important step in ensuring that our sector can continue to create vital, challenging, and risk-taking work.” — Sir Nick Serota – Chair of Arts Council England.

WRITERS & SCHOLARS EDUCATIONAL TRUST

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2018

ACTIVITIES AND OUTCOMES (continued)

DEBATE

Index has made it an explicit target to reach new audiences. We rarely sit still. In 2017/18, Index staff took part in more than 50 public events, from book launches to performances of banned plays, to panel discussions. We spoke at Perugia International Journalism Festival, the inaugural Byline Festival of independent journalism, at Wilderness Festival, Hay Festival, and Essex Book Festival -- where discussions took place in an underground bunker -- and the Battle of Ideas Festival. Staff chaired and gave talks in Brisbane, Limerick, Kiev, and Vienna -- to name a few. In the process, we reached more than 4,000 people.

In addition to public events, Index is actively engaged in outreach through the media. We are regularly quoted by outlets such as the BBC, Guardian, Times, and Telegraph on freedom of expression issues.

PLANS FOR 2018/19 AND BEYOND

We are pleased that, with this year's annual report, to announce the establishment of Friends of Index -- a US-based non-profit whose goal is to raise funds to support Index's work in the United States and internationally.

Over the course of the coming year, we aim to launch two projects. The first project is aimed at introducing US university students to issues of international censorship. The other project -- Free Speech is For Me! -- is aimed at developing a wider range of spokespeople on freedom of expression in the United Kingdom and United States.

We will also place greater focus on addressing threats to free speech online from governments, as well as launching Banned Books Week UK: a nationwide, week-long initiative encouraging schools, libraries and bookshops to celebrate the freedom to read, while highlighting literature and authors who have been subject to bans, censorship or silencing.

This is in addition to the work already outlined in the rest of the report, which is no mean achievement for a staff of just 12 people. As we head into our 47th year, we look forward to working with partners old and new to bring debates on free speech to an even wider audience.

FUNDING

We are grateful to the support of the following during the year:

Arts Council England
Michael Bishop Foundation
The British Council
Cambridge Audio
Clifford Chance
CNN
The John S Cohen Foundation
Democracy Now
Doughty Street Chambers
Dropbox
Edwardian Hotels
The Elaine and David Potter Foundation
European Commission
Facebook
Flying Dog Brewery
Fritt Ord
Google
Gorkana
Liverpool John Moores University
London Evening Standard
David McCune
National Endowment For Democracy
Open Society Foundation
Joey Parnes Productions
Private Internet Access
Psiphon

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2018

FUNDING (continued)

Sage Publications
Sonos
Twitter
UNESCO
Vice News
Vodafone
Wellesley College

and various individuals who have supported the organisation through Index Champions or Index Advocates membership or through subscription to the magazine.

Fundraising

The financial year 2017-18 represented a strong fundraising performance in terms of widening our funding base and increasing total income from £898,000 2016-17 to £1,028m in 2017-18. This includes £54,000 donations in kind. Donations and core grants were down slightly, from £615,000 to £589,000. Of this, donations were £127,000, including a donation of over £11,000 of the takings from a Broadway performance of "1984" by the Joey Parnes Production Company. Following our website redesign within the year, this should further help by making the process easier and more user-friendly for supporters to take advantage of being an Index supporter. Core grants remained at a similar level to the previous year, while grants for charitable activities were considerably up from £93,000 to £256,000 reflecting a significant increase on our charitable outputs within the year.

The David & Elaine Potter Foundation and Fritt Ord renewed their core funding, while we were also successful in securing new grants from the Michael Bishop Foundation and The Open Society Foundation. We continued getting corporate funding from Facebook, Google and Twitter, while the European Commission renewed their funding for our Mapping Media Freedom project. We also received UNESCO funding within the year for the project.

We have continued our relationship with Liverpool John Moores University, who co-fund an internship at Index. From this year it became a full year's placement and was renamed the Tim Hetherington Prize. We also have a donation from Wellesley University to help fund a summer intern programme here at Index for three of their current students.

In addition to our National Portfolio funding from Arts Council England, we were made an award for a special two-year grant to support our Arts and Censorship work.

The Fellowship and Index on Censorship Annual Awards were supported by Sage Publications, Doughty Street Chambers, and Vodafone, being joined by new sponsors Private Internet Access and sponsors in kind Psiphon, Vice News, Edwardian Hotels, CNN and Cambridge Audio.

The Trust does not fundraise from the public nor does it use any third party to assist with fundraising.

Financial Report

The Trustees report that the group posted a consolidated defined £25,641, and with expenditure of restricted funds carried forward from 2016-17, unrestricted funds increased from £37,760 to £57,269. The level of restricted funds is £2,850. Writers and Scholars Educational Trust had a surplus of unrestricted funds of £16,327 on the year, which together with the restricted funds brought forward being spent, means that its reserves are at £73,209. Writers and Scholars International Limited made a loss of £41,968 taking its reserves down to a negative £15,679. The current level of consolidated unrestricted reserves at £57,269 is just under one month's worth of the target set by the trustees for three month's operating costs. The Trustees are seeking to achieve the reserves target by the end of the next financial year.

Consolidated group income was £1,028m, up on 2016-17 by £173,534, in the main due to grants for charitable activities increasing significantly. Writers and Scholars International Ltd had a drop of £34,000 in its level of grants, but its expenditure was lower than previous year by £52k.

WRITERS & SCHOLARS EDUCATIONAL TRUST

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2018

Financial Report (continued)

Consolidated expenditure was £1.054m compared with £854,359 in the previous year. This reflects the increased expenditure on project activity, particularly through the Media Mapping Freedom project. Direct costs were up from £506,466 in 2016-17, to £671,893 this year. Project costs rose from £225,500 to £378,416, largely due to Index serving as a fiscal sponsor to one of our former Fellowship winners, passing on 93% of the £150,000 grant to the recipient. Fundraising costs for donations remained at a similar level to last year at £95,357. The direct costs of fundraising activities rose from £47,173 to £82,860, due in the main to the Fellowship 2017-18 as we continue to grow the programme. Overall support staff costs increased from £213,940 to £256,337 as permanent staff numbers were increased by 1. Governance costs showed a slight decrease of £1,243, while the cost of running an office dropped by £10,000 to £32,600.

The inter-company position showed a shift from Writers and Scholars Educational Trust being owed £2,147 by Writers and Scholars International Ltd, as compared with £6,157 the previous year.

Reserves policy

The reserves policy was reviewed by the Index board with the desired level of reserves being based on a consideration of at-risk funding. The board feel this represents the most and measurable way of arriving at a reserves target. The target arrived at was £156,000 of unrestricted funds, which equates to three months operating costs at the current level (£52,000 per month). The trustees acknowledge a significant step forward by now having reached almost two-thirds of the target through the financial performance this year, as reserves sit at a level of £57,269. As part of the reserves strategy, the organisation has an annual budgetary commitment to boost the level of reserves towards its target level and this is built into the annual fundraising target and the ambition for 2018-19 is to reach the full reserves target.

The level of unrestricted funds is £57,269.

The level of restricted funds is £2,850.

There are no designated or endowment funds.

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. 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, YouTube channel and other digital platforms. These reflect two of our objectives to inform and to encourage debate.

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. Increasing social media followers and web viewing figures attest to the widening of our audience. This year we offered an article detailing how to identify fake news and a specialist "Journalists' Toolbox" for working in challenging environments, which we published in English, Spanish, Arabic and Russian.

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 45 years. There is also our own archive of articles, interviews, policy papers, audio-visual content available for free on our website. 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.

WRITERS & SCHOLARS EDUCATIONAL TRUST

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2018

Public Benefit Statement (continued)

Index continues to bring material to under-represented communities in the freedom of expression debate, and particularly expanding its reach towards greater numbers of young people and people involved in education. As part of this initiative we host a Youth Advisory Board with new members every six months, so that we can consult on, and be led by, the members as to their requirements in the free expression realm as it affects young people and thus tailor our approach to meet these needs. We have worked directly with a number of youth and educational agencies, and been able to put different groups in contact with one another to share knowledge and we have begun to extend this network globally. Index also works closely with several UK and international universities. We have also been in conversations with students to provide evidence on the state of free expression on campuses up and down the UK and will be publishing a report in Autumn 2018.

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. We have produced five free law packs to equip such professionals with a guide to help them continue to exhibit and produce controversial art in full knowledge of the law and responsibilities to artists, their employees and the public. With our Arts Council funding, we are running a training programme for arts' institutions to be able to analyse risk more sympathetically in consideration of controversial art.

In order to pursue our work in accordance with our mission and public benefit statements, we have a legitimate interest in holding and processing the data of both individuals and organisations.

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 pay of the senior management team ('key management personnel') and all staff are reviewed annually and where there are increases these are in line with average earnings and any cost of living adjustment. In view of the nature of the charity, the Trustees benchmark against pay levels in other charities. The remuneration benchmark is the mid-point of the range paid for similar roles in equivalent sized charities.

Risk Review

With a full risk register in place, throughout the year the Trustees consider the top five or ten risks anticipated or actually faced in the year, in terms of likelihood, impact, mitigations and responsibility. These are then added to the risk register as an update. The Trustees are satisfied that systems have been developed and are in place to mitigate identified risks to a satisfactory level. For the year 2017-18 the following 5 risks were considered. The main focus for the year was around the new GDPR legislation and the risks around data.

WRITERS & SCHOLARS EDUCATIONAL TRUST

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2018

Risk Review (continued)

- 1) A full manual of GDPR policy was produced utilising the guidance of the Information Office and specialist briefings. The manual lays out our recovery and response procedure in case of breach and all staff are aware of their responsibilities when handling data and how to respond to data requests made by individuals on whom we hold their information. Index has requested consent from all those with whom we send electronic marketing, and positive consent (opt in) is the sole determinant of who we communicate with electronic marketing. We have secured updated service agreements or statements of terms and conditions updated for GDPR from any third party processors of our data (credit card company, EventBrite etc).
- 2) Cyber-Security
 - i) In September all staff were given a checklist of the security measures they are obliged to undertake and to review with their line managers and sign their compliance. This was part of a full digital security policy document produced by Sean Gallagher after some external consultation (and which forms the cyber-security part of the GDPR manual).
 - ii) Last year we underwent a thorough review of digital devices when travelling to countries like the US and Turkey, where the demand for disclosure/seizure come from governmental authorities. This is enshrined in our travel policy and risk document.
- 3) Travel Risk Policy
 - i) We have in place a full travel policy document which contains a risk assessment form to be filled out for each trip and signed off by a line or senior manager.
 - ii) In January we had an all-staff half-day training session on all aspects of travel abroad and any additional points have been added to the travel policy document.
 - iii) As yet there is still no insurance cover on the market for deportation or seizure of digital devices by state authorities in countries which are not on the FCO list of destinations where care is advised (Turkey, USA).
- 4) Index as Fiscal Sponsor for individuals/organisations (Fellowship)
 - i) As we offer the Fellows to suggest to us what would be of most assistance to them, this can include Index acting as a fiscal sponsor because they cannot apply as an individual, or the asset of our charity status, or because we have a relationship with the donor. Index will always be liable for ensuring the grant's terms and reporting requirements are met, which entails we must have contractual agreements clearly laying out the respective set of responsibilities.
 - ii) There may be issues of anonymity requested by the Fellows which makes it difficult for the donor's compliance unit. This must be agreed in advance of any funds being received between Index and the donor.
 - iii) Index has to consider any bids against its ethical giving policy, ie the percentage of Index's overall income any grantee represents cannot surpass 10% without being referred to the Board.
 - iv) Senior management must ensure that the percentage taken for management fees by Index is proportionate - both in terms of not seeming too much for minimal work, or too little as the extra resources necessitated by having to administer the grant render the income nugatory.
- 5) Libel

We had 2 cases outside the UK this year, where accusations of libel could have been invoked. Both had different outcomes:

 - i) The first was a case of someone who coincidentally was also longlisted for the Fellowship, who was being sued in his home country for libel. We published an online article describing the situation and utilising only the terms of what was in the libel suit brought against the defendant and therefore already public. We had it read for libel by Bindmans who cleared it for publication and there were no consequences for Index.

WRITERS & SCHOLARS EDUCATIONAL TRUST

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2018

Risk Review (continued)

- ii) The second was where Index received a cease and desist letter from a UK law firm for an online article written by an author we have worked with many times before, claiming it was repeating libellous claims made against the plaintiff. We complied with the request to take the article down simply because trying to secure independent verification given difficult in-country circumstances led us to the decision to remove the article. There were no further consequences.

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 as above

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.

Approved by the Board on 6 October 2018 and signed on its behalf by:


Trevor Phillips
Chair

WRITERS & SCHOLARS EDUCATIONAL TRUST
LEGAL AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 MARCH 2018

Status

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

Trustees

WSET Trustee Limited

The directors of WSET Trustee Ltd are:

David Aaronovitch (Chair)
Elaine Potter
David McCune
David Schlesinger
Turi Munthe
Kate Maltby
Sanjay Nazerali
Jason DaPonte (appointed 1/06/2017, resigned 6 August 2018)
Kiri Kankhwende (appointed 1/06/2017)
Trevor Phillips (appointed 18/10/18)

Management

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

Principal address and contact details

7th Floor, 292 Vauxhall Bridge Road, London SW1V 1AE
Telephone: 020 7963 7262
E-Mail: jodie@indexoncensorship.org

Auditors:

haysmacintyre, 10 Queen Street Place, London, EC4R 1AG

Bankers:

Triodos Bank NV, Brunel House, Deanery Road, Bristol BS1 5AS

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF WRITERS & SCHOLARS EDUCATIONAL TRUST

Opinion

We have audited the financial statements of Writers and Scholars Educational Trust for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Group and Charity Balance Sheets, Statement of Consolidated Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charity's affairs as at 31 March 2018 and of the group's net movement in funds 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.

Basis for opinion

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder. We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on pages 9 to 10, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITORS' REPORT

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charity, or returns adequate for our audit have not been received from branches not visited by us; or
- sufficient accounting records have not been kept; or
- the parent charity 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.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 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's trustees as a body for our audit work, for this report, or for the opinions we have formed.



haysmacintyre
Statutory Auditor

10th December 2018

10 Queen Street Place
London
EC4R 1AG

haysmacintyre is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

WRITERS & SCHOLARS EDUCATIONAL TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2018

	Notes	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £	Total Funds 2017 £
INCOME FROM:					
Donations & legacies	2	533,171	12,500	545,671	614,904
Charitable activities					
Publishing fees & royalties	3	102,201	-	102,201	98,819
Other income from charitable activities	3	15,885	240,538	256,423	92,720
Other trading activities					
Events income	3	123,708	-	123,708	91,661
Investments		26	-	26	21
TOTAL INCOME		<u>774,991</u>	<u>253,038</u>	<u>1,028,029</u>	<u>898,125</u>
EXPENDITURE ON:					
Raising funds					
Donations and legacies	4	256,915	-	256,915	241,901
Fundraising activities	4	82,860	-	82,860	47,173
Charitable activities	4	415,707	298,188	713,895	565,285
TOTAL EXPENDITURE		<u>755,482</u>	<u>298,188</u>	<u>1,053,670</u>	<u>854,359</u>
NET INCOME/(EXPENDITURE) NET MOVEMENT IN FUNDS		19,509	(45,150)	(25,641)	43,766
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>37,760</u>	<u>48,000</u>	<u>85,760</u>	<u>41,994</u>
TOTAL FUNDS CARRIED FORWARD		<u>£57,269</u>	<u>£2,850</u>	<u>£60,119</u>	<u>£85,760</u>

None of the charity'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.

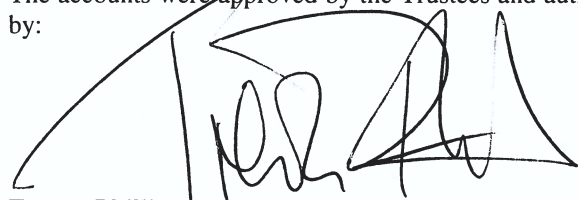
WRITERS & SCHOLARS EDUCATIONAL TRUST

GROUP AND CHARITY BALANCE SHEETS

AS AT 31 MARCH 2018

		Group		Charity	
	Notes	2018 £	2017 £	2018 £	2017 £
FIXED ASSETS					
Tangible assets	7	11,498	14,776	105	123
CURRENT ASSETS					
Debtors	8	70,508	177,850	41,009	140,807
Cash at bank and in hand		181,656	142,760	134,954	50,242
		252,164	320,610	175,963	191,048
CREDITORS: Amounts falling due within one year	9	(203,543)	(249,626)	(100,009)	(131,701)
Net current assets		48,621	70,984	75,954	59,347
NET ASSETS		£60,119	£85,760	£76,059	£59,470
FUNDS					
Unrestricted income funds	10	57,269	37,760	73,209	11,470
Restricted income funds	11	2,850	48,000	2,850	48,000
TOTAL FUNDS		£60,119	£85,760	£76,059	£59,470

The accounts were approved by the Trustees and authorised for issue on 6 December 2018 and signed on their behalf by:



Trevor Phillips
Chair

WRITERS & SCHOLARS EDUCATIONAL TRUST

STATEMENT OF CONSOLIDATED CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2018

	2018	2017
	£	£
Cash flows from operating activities:		
Net cash provided by operating activities (see below)	42,591	104,208
Cash flows from investing activities:		
Purchase of fixed assets	(3,695)	(4,900)
Net cash (used in) investing activities	(3,695)	(4,900)
Net cash provided by financing activities		
Change in cash and cash equivalents in the year	38,896	99,308
Cash and cash equivalents at the beginning of the year	142,760	43,452
Cash and cash equivalents at the end of the year	£181,656	£142,760

RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018	2017
	£	£
Net (expenditure)/ income for the reporting year (as per the statement of financial activities)	(25,641)	43,766
Adjustments for:		
Loss on disposal of fixed assets	3,257	929
Depreciation	3,717	2,711
(Increase)/decrease in debtors	107,341	(56,240)
Increase/(decrease) in creditors	(46,083)	113,042
Net cash provided by/(used in) operating activities	£42,591	£104,208

WRITERS & SCHOLARS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2018

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of financial statements is as follows:

Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Writers and Scholars Educational Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Preparation of the accounts on a going concern basis

The accounts have been prepared on a going concern basis which the trustees consider to be appropriate. Forecast budgets have been prepared and considered by the trustees for the year to 31 March 2018, which currently show a deficit. However the trustees are confident that the shortfall will be covered by additional funding. On the basis of these forecasts, the trustees consider that the group will be able to meet its liabilities as they fall due and are hopeful that unrestricted funds will increase.

Basis of consolidation

The group financial statements consolidate those of the charity and Writers and Scholars International Limited (“the Company”) drawn up to 31 March 2018 on the basis of common control of both entities. Surpluses or deficits on intra-group transactions are eliminated in full.

Results of the company which engages in activities similar to those of the charity are consolidated on a line-by-line basis in the SOFA and balance sheet.

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 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

Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income can be measured reliably.

Income from grants and fees is recognised when the charity has entitlement to the funds, any performance conditions attached to the grant have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until those conditions are fully met, or the fulfilment of those

WRITERS & SCHOLARS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2018

1. ACCOUNTING POLICIES (continued)

conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

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.

Expenditure

Liabilities are recognised as expenditure as soon as there is legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of obligation can be measured reliably.

Expenditure is recognised on an accruals basis as a liability is incurred, inclusive of VAT, which cannot be recovered.

All expenditure has been classified under headings that aggregate all costs relating to the following categories:

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.

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.

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.

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.

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'.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes bank accounts, cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

WRITERS & SCHOLARS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2018

1. ACCOUNTING POLICIES (continued)

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Estimation uncertainty

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2. DONATIONS & LEGACIES

	2018 £	2017 £
Donations	126,689	149,323
Grants:		
David & Elaine Potter Foundation	40,000	40,000
Fritt Ord	42,610	42,673
Michael Bishop Foundation	40,000	-
Heritage Lottery Fund	-	16,565
British Council (see below)	12,500	-
Arts Council England	48,122	50,000
Other grants	75,588	67,942
Grants received by Writers & Scholars International Limited	203,792	248,401
Grant repayable (see below)	(43,630)	-
	<u>£545,671</u>	<u>£614,904</u>

Restricted income of £12,500 was received from the British Council in 2018 to fund the *Shakespeare Lives* project.

All other donations & legacies received in 2018 were unrestricted.

The grant repayable shown above represents a claw-back by a funder in respect of a grant received in prior years.

WRITERS & SCHOLARS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2018

3. CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	2018 £	2017 £
Liverpool John Moores University	9,832	-	9,832	9,832
National Endowment for Democracy	-	240,538	240,538	80,218
Publishing fees and royalties	102,201	-	102,201	98,819
Event income	123,708	-	123,708	91,662
Other direct income	6,053	-	6,053	2,670
	<u>£241,794</u>	<u>£240,538</u>	<u>£482,332</u>	<u>£282,300</u>

4. ANALYSIS OF EXPENDITURE

	Direct Costs £	Support Costs £	Total 2018 £	Total 2017 £
Charitable activities:				
Publications	115,260	110,254	225,514	217,957
Projects	378,416	109,965	488,381	347,328
	<u>493,676</u>	<u>220,219</u>	<u>713,895</u>	<u>565,285</u>
Raising funds – donations and legacies	95,357	161,558	256,915	241,901
- fundraising activities	82,860	-	82,860	47,173
TOTAL	<u>£671,893</u>	<u>£381,777</u>	<u>£1,053,670</u>	<u>£854,359</u>

SUPPORT COSTS CONSIST OF:

	2018 £	2017 £
Staff costs	256,337	213,940
Premises	49,798	49,929
Office and administration	32,590	42,738
Professional and consultancy	22,314	21,982
Currency exchange differences	2,424	1,015
Irrecoverable VAT	5,673	6,369
Depreciation	4,674	2,710
Governance (see note 5)	7,967	9,210
	<u>£381,777</u>	<u>£347,893</u>

WRITERS & SCHOLARS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2018

5. GOVERNANCE COSTS	2018	2017	
	£	£	
Auditor's remuneration	7,750	8,300	
Other fees	-	768	
Meeting expenses	217	142	
	<u>£7,967</u>	<u>£9,210</u>	
Other fees payable to the auditors amounted to £2,100 (2017: £2,050)			
No trustees received any remuneration (2017: £nil) and no trustees were reimbursed for travel costs (2017: £nil).			
6. EMPLOYEES	2018	2017	
	£	£	
Group staff costs were as follows:			
Wages and salaries	421,415	380,299	
National insurance contributions	43,539	38,874	
Pension contributions	7,094	3,809	
Contract staff	540	6,955	
	<u>£472,588</u>	<u>£429,937</u>	
The average weekly number of employees during the year were as follows:			
	No.	No.	
Charitable activities	10	9	
Management and support	3	3	
	<u>13</u>	<u>12</u>	
Number of employees earning between £60,000 - £69,999	<u>1</u>	<u>1</u>	
Staff benefits paid to key management personnel amounted to £256,574 (2017 - £253,473).			
7. FIXED ASSETS	Fixtures and Fittings	Computers	Total
Group	£	£	£
Cost			
At 1 April 2017	10,368	23,155	33,523
Additions	2,079	1,616	3,695
Disposals	(2,112)	(7,037)	(9,149)
At 31 March 2018	<u>10,335</u>	<u>17,734</u>	<u>28,069</u>
Depreciation			
At 1 April 2017	2,198	16,549	18,749
Charge for the year	1,558	2,161	3,719
Disposals	(628)	(5,267)	(5,895)
At 31 March 2018	<u>3,128</u>	<u>13,443</u>	<u>16,571</u>
Net Book Value			
At 31 March 2018	<u>£7,207</u>	<u>£4,291</u>	<u>£11,498</u>
At 31 March 2017	<u>£8,170</u>	<u>£6,606</u>	<u>£14,776</u>

WRITERS & SCHOLARS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2018

7. FIXED ASSETS (continued)		Fixtures and Fittings		Total
		£		£
Charity				
Cost				
At 1 April 2017		193		193
Additions		-		-
		<u>193</u>		<u>193</u>
At 31 March 2018		193		193
Depreciation				
At 1 April 2017		70		70
Charge for the year		18		18
		<u>88</u>		<u>88</u>
At 31 March 2018		88		88
Net Book Value				
At 31 March 2018		<u>£105</u>		<u>£105</u>
At 31 March 2017		<u>£123</u>		<u>£123</u>
8. DEBTORS				
	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Trade debtors	20,848	55,749	20,000	48,961
Prepayments	13,053	12,217	7,036	10,342
Accrued income	33,505	104,884	9,000	70,696
Other debtors	3,102	5,000	2,826	4,651
Due from Writers and Scholars International Ltd	-	-	2,147	6,157
	<u>£70,508</u>	<u>£177,850</u>	<u>£41,009</u>	<u>£140,807</u>
9. CREDITORS: amounts falling due within one year				
	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Trade creditors	649	1,136	434	422
Other creditors	43,630	-	-	-
Taxation and social security	10,665	10,804	10,665	10,804
Accruals	48,301	66,350	36,116	40,603
Deferred income	100,298	171,336	52,794	79,872
	<u>£203,543</u>	<u>£249,626</u>	<u>£100,009</u>	<u>£131,701</u>

WRITERS & SCHOLARS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2018

10. UNRESTRICTED INCOME FUNDS – GROUP		WSET £	WSIL £	TOTAL £
Balance brought forward		11,471	26,289	37,760
Net income		61,477	(41,968)	19,509
Balance carried forward		£72,948	(£15,679)	£57,269
11. RESTRICTED FUNDS				
	Balance at 1 April 2017 £	Income £	Expenditure £	Balance at 31 March 2018 £
British Council	-	12,500	(12,500)	-
National Endowment for Democracy	-	89,618	(89,618)	-
NED Fellowship	-	150,920	(150,920)	-
Arts Council England	48,000	-	(45,150)	2,850
Total	£48,000	£253,038	£(298,188)	£2,850

Nature and purpose of each fund:

British Council - fund for bringing overseas speakers to an event at Hay Literary Festival discussing Shakespeare.

National Endowment for Democracy - Media monitoring project in Russia, Ukraine, Azerbaijan and Belarus.

NED Fellowship – The charity has acted as a fiscal sponsor in the year for an individual receiving a fellowship from the National Endowment for Democracy.

Arts Council England – fund for combating censorship through providing training in legal issues and controversial artworks

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 company have been consolidated on a line by line basis in the SOFA.

	2018 £	2017 £
PROFIT AND LOSS ACCOUNT		
Turnover	266,868	354,432
Cost of sales	(253,902)	(318,962)
Gross loss	12,966	35,470
Overhead expenditure	(54,934)	(42,336)
Operating loss	(41,968)	(6,866)
Interest receivable	-	-
(Loss) for the financial year	(£41,968)	£(6,866)

WRITERS & SCHOLARS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2018

12. WRITERS AND SCHOLARS INTERNATIONAL LTD (continued)	2018 £	2017 £
BALANCE SHEET		
Fixed assets	11,654	14,653
Current assets	78,348	135,718
Creditors falling due within one year	(105,681)	(124,082)
Net current (liabilities)/assets	(27,333)	11,636
Capital and reserves	(£15,679)	£26,289

Transactions

During the year expenditure of £33,162 (2017: £3,683) 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 £2,147 (2017: due to Writers & Scholars International Limited £6,157).

13. RELATED PARTY TRANSACTIONS

The David and Elaine Potter Foundation made a grant of £40,000 (2017: £40,000) in the year, with £4,000 (2017: £4,000) due to be received at the year end. Elaine Potter is a trustee of the charity. David McCune, who is the co-owner of Sage Publishing of Index on Censorship, the existing publisher of *Index on Censorship*, is a trustee - of the charity. He also donated a sum of £100,000 (2017 - £50,910) to the charity in the year.

14. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES - 2017

	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total Funds 2017 £
INCOME FROM:			
Donations & legacies	548,339	66,565	614,904
Charitable activities			
Publishing fees & royalties	98,819	-	98,819
Other income from charitable activities	12,502	80,218	92,720
Other trading activities			
Events income	91,661	-	91,661
Investments	21	-	21
TOTAL INCOME	751,342	146,783	898,125
EXPENDITURE ON:			
Raising funds			
Donations and legacies	241,901		241,901
Fundraising activities	47,173	-	47,173
Charitable activities	451,962	113,323	565,285
TOTAL EXPENDITURE	741,036	113,323	854,359

WRITERS & SCHOLARS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2018

14. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES – 2017 (continued)

	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total Funds 2017 £
NET INCOME/(EXPENDITURE) NET MOVEMENT IN FUNDS	10,306	33,460	43,766
RECONCILIATION OF FUNDS			
Total funds brought forward	27,454	14,540	41,994
TOTAL FUNDS CARRIED FORWARD	<u>£37,760</u>	<u>£48,000</u>	<u>£85,760</u>

15. FINANCIAL INSTRUMENTS

	2018 £	2017 £
Financial assets measured at amortised cost	23,950	60,749
Financial liabilities measured at amortised cost	649	1,136

Financial assets measured at amortised cost consist of trade debtors and other debtors.

Financial liabilities measured at amortised cost include trade and other creditors.

