

WRITERS & SCHOLARS EDUCATIONAL TRUST
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

Charity Number: 325003

WRITERS & SCHOLARS EDUCATIONAL TRUST
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WRITERS & SCHOLARS EDUCATIONAL TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2020

ABOUT INDEX ON CENSORSHIP

Index on Censorship is a non-profit organisation that campaigns for and defends freedom of expression worldwide. We believe 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 the value of free speech and threats to free expression as the first step to tackling censorship. To do this, we publish work by censored writers and artists, promote debate, and provide information and expertise on free speech issues.

CHAIR'S STATEMENT

This has been a challenging year for the world. The Covid-19 pandemic has not only significantly restricted our day-to-day lives, it has tested our resilience as a species and undermined the global economy. Even though we can see light ahead, none of us truly knows what it will illuminate when we finally enter the post-COVID landscape.

For Index the pandemic has stretched our small professional team to its limits and tested the commitment of our board and supporters. The downturn has had an effect on charitable giving and therefore on our organisational budget. And more importantly Covid-19 has also provided cover for some of the most repressive regimes in the world to move against their citizens. I am glad to say, that despite the strictures, our charity continues to punch above its weight; and the need to monitor, highlight and challenge threats to freedom of expression, both overt and covert, has not been more evident for decades.

For some the pandemic has not been a crisis but an opportunity – a chance to silence opponents and critics with impunity. The news that has managed to break through beyond the pandemic has been dominated by attacks on free speech around the world, from the National Security Law in Hong Kong to the months of protests in Belarus against Lukashenko's regime, as well as of course Donald Trump's social media war on journalists. Public discourse across America and Europe is becoming increasingly polarized, including in the UK as people use their right to free speech as a combat weapon rather than as an invitation for more dialogue and understanding.

When the pandemic arrived, Index was in the middle of an ambitious expansion programme, unfortunately this left us overexposed as the crisis hit leaving a significant financial deficit for 2019/20. Working with our professional staff and our wonderful donors and supporters I'm delighted to be able to report that we have been restored to financial stability in 2020/21 and will begin to rebuild our reserves in the coming year.

To ensure that we are ready for the battles ahead we have undertaken a root and branch review both of the professional and governance structures. We bade farewell to our long time CEO Jodie Ginsberg, who saw us through some truly difficult years and was responsible for ensuring that Index survived at a time when it seemed that it might not. And I want to thank my predecessor as chair David Aaronovitch for staying on the board beyond his term and his ongoing commitment to Index.

This has been a truly extraordinary year and as Index gets ready to mark our 50th birthday I'm delighted that Ruth Smeeth joined the Index family as our new CEO. She has already made an impact, both raising Index's profile and started to refashion our operations for the future. We have also welcomed three new Trustees to the board, Andrew Franklin, Sarah Sands and James Goode, who each bring a wealth of experience in different fields. We have ambitious plans for our 50th year, including redesigning the magazine, rebranding the organisation and launching an ambitious new debate programme – to make sure that people's voices are being heard.

In 1971 Stephen Spender launched our organisation on the pages of the Times, he argued that Index would be a Voice for the Persecuted. That mission remains a vital one and as we move on from the pandemic Index will continue to fulfil that role, from exposing the censorship of the CCP to fighting for free speech online, as well as, of course, celebrating our birthday!

Trevor Phillips

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PLANS FOR 2021/22 AND BEYOND: A NOTE FROM THE CEO

Every birthday gives you the opportunity to reflect on where you've been and where you want to go. As Index enters its 50th year the team and I have had the opportunity to reflect on who we are and what we want to achieve in the next 50 years. We have used the original op-ed by Stephen Spender as the inspiration for turning our founding principles into a new work programme – driven by one word - Impact.

To mark Index @50 we are hoping to launch a new programme – Letters from the Frontline, 50 letters from our international correspondents, outlining the daily threats to free speech in their countries.

Reflecting on our heritage we are undertaking a rebranding exercise seeking to go back to core principles with both a new logo and a new design for the magazine – based on the work of censored artists and photographers.

In addition to our core work exposing the actions of repressive regimes and their impact on their domestic populations we plan to launch a new project #BannedbyBeijing exploring how the Chinese Government are using their soft power, outside their borders, to censor artists and academics.

We also want to improve the calibre of the conversation about free speech. In the current climate where people are either hiding behind their right to free speech in order to be offensive or they are trying to restrict everyone else's access to this basic human right, Index believes that it is time to initiate a national conversation on what free speech should be, where the red lines are and how do we protect it in the twenty-first century.

In order to achieve this, we are hoping to launch a new debate platform where issues as diverse as the first amendment, free speech and the recent election cycle in America - what can we learn – to Platform or Publisher – what really is social media and what are the corporate responsibilities?

It's a privilege to have joined the Index family, we're going to be busy in the months ahead and I can't wait!

Ruth Smeeth

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OUR AIMS

Inform 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 our magazine, website and social media; monitoring and reporting of freedom of expression violations; and events and media.

Support Index supports censored writers and artists Index supports all those facing censorship and threats to free expression. This includes writers, artists, scholars, activists and anyone 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, through legal support, and through our Freedom of Expression Awards Fellowship.

Influence Index uses the expertise and information gathered in its award-winning magazine, in its online reporting, and through research and monitoring projects to campaign for change on specific freedom of expression issues. We achieve this through media campaigns, and by lobbying governments, multi-national organisations such as the Council of Europe and specific authorities on different issues. We work with other organisations to strengthen the power of our advocacy by sharing resources and information.

Debate Open debate is a central tenet of free expression and so Index actively promotes and leads discussion about the limits and concerns surrounding free expression, tackling subjects that are often ignored by mainstream media, or by taking discussions to different audiences. We will be launching a new debate forum in 2021 to lead and inform the discussion on free expression.

Overview of the year 2019-20

Index worked to expand its international reach on campus – launching Free Speech is For Me on both sides of the Atlantic. We launched our extensive study into vexatious lawsuits and the chilling effect they are having on journalists around the world and updated our legal guides on Free Speech – providing a vital resource for activists and practitioners. We continued to provide personalised support to individuals facing censorship via our prestigious Freedom of Expression Awards Fellowship.

ACTIVITIES AND OUTCOMES

INFORM

Magazine

Since its establishment in 1972, Index on Censorship magazine has published some of the greatest names in literature including Samuel Beckett, Nadine Gordimer, Mario Vargas Llosa, Hilary Mantel and Kurt Vonnegut. It also has published some of the greatest campaigning writers of our age from Vaclav Havel, Amartya Sen and Ariel Dorfman.

The magazine is available in more than 9,000 universities worldwide and more than 2,000 hard copies of the magazine were distributed at events globally during 2019. One of the unexpected consequences of the pandemic is that online readership levels of the magazine are at an all time high.

Summer 2019: Judged

Our special report considered what happens when the independence of the justice system is gone and lawyers are no longer willing to stand up with journalists and activists to fight for freedom of expression? This issue also included a short story from award-winning author **Claudia Pineiro** and an interview with the imprisoned best-selling Turkish author **Ahmet Altan**.

Autumn 2019: Border Forces

Our contributors examined how border officials are demanding access to individuals' social media accounts at frontiers around the world. This is ushering in a frightening new era where people are worried that their words, their criticism and taking part in a protest will end in a travel ban. The issue also featured an extract for the first time in English of **Marguerite Duras'** screenplay for the 1977 film *Le Camion* (The Lorry) and a poem about male rape by the controversial award-winning poet **Dean Atta**.

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ACTIVITIES AND OUTCOMES (continued)

Winter 2019: The Big Noise

We are living in the age of the macho leaders. All around the world, these so called "strong men" have stormed the polls and are coming to power. They are being voted in democratically yes, but what they stand for is disastrous for democracy. Not only do they have little time for free speech, their entire image is often constructed around a very delicate type of masculinity that does not accept criticism or dissent. We also published a poem from Hong Kong writer **Tammy Lai-ming Ho**, which addressed the protests engulfing the city.

Spring 2020: Complicity

What role do we play in our own free speech issues? This is the question we pose in the Index on Censorship spring 2020 magazine. From the journalists who self-censor and the academics who don't stand up to their arrested colleagues to the average person who shares lots of data with a third party, we are all playing a role in giving away some of our basic rights, information and privacy. We also published extracts from a Brazilian documentary that was censored by Jair Bolsonaro, plus a short written exclusively for the magazine by **Najwa Bin Shatwan**.

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.

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.

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 was made more challenging because of the Pandemic, so both the awards ceremony and the fellowship were delivered online.

The 2020 fellows are:

Arts: Yulia Tsvetkova is a Russian artist and activist promoting women's well-being and LGBTQ awareness.

In 2018 she began a campaign promoting body positivity which resulted in her being named a suspect in a criminal pornography distribution case. If convicted, Tsvetkova could face six years in prison.

She is currently living under house arrest; banned from communicating with anyone except her mother and her lawyer. Receiving death threats regularly, Yulia fears for her family's safety.

"The award pretty much reminds me that not everything is that bad. That there are still people who believe that [what I do] is important. For me, it changes pretty much everything. So, thank you."

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ACTIVITIES AND OUTCOMES (continued)

Campaigning: *Sayed Ahmed Alwadaei* is a Bahraini activist currently living in exile in the UK. He was forced to flee Bahrain in 2011 after being arrested for taking part in anti-government protests. The Bahraini government revoked his citizenship and launched a smear campaign labelling him a terrorist.

His family have also been subjected to numerous human rights violations by the Bahraini authorities, including arbitrary detention, unfair trial, ill-treatment and possible torture.

As the director of advocacy at the Bahrain Institute for Rights and Democracy, his work has become a vital resource for international media and NGOs such as Amnesty International.

“I would like to offer my sincere thanks to Index on Censorship for awarding me this prestigious prize. The price for expressing yourself in Bahrain remains very high. I myself ended up in prison for speaking to the press during the Arab Spring and Bahrain has jailed members of my family to silence me.”

Campaigning: *Veyzel Ok* is a prominent Kurdish lawyer specialising in free speech and press freedom.

He provides pro-bono legal support to journalists, activists and academics who have been subjected to intimidation, surveillance, smear campaigns and harassment. His work has been instrumental in the release of several unlawfully detained journalists and writers.

Ok is one of the first to challenge the Turkish laws of accreditation which determine whether a journalist meets official requirements to do their job.

Ok has received a five-month suspended sentence for ‘insulting the Turkish judiciary’.

“This award is a win for the fight for free speech in Turkey. It shows that our work has found support from the international community, and that there is a greater international advance. This gives me incredible hope and pride. I would like to thank you one more time for this award.”

Digital Activism: *The Arab Center for the Advancement of Social Media, or 7amleh*, is a non-profit organisation focused on protecting the human rights of Palestinians in the online space.

As Israel increases online monitoring, Palestinians are taking to social media to express disdain. 7amleh’s work protecting online safety and digital rights has been crucial.

Through their work in capacity building, research, advocacy and campaigning, 7amleh works to ensure that policies and companies are complying with human rights and are working towards greater accountability.

“This award will motivate us to work more to advance digital rights and to achieve our vision of a safe, fair and free digital world.”

Journalism: *OKO Press* is the one of the first free investigative journalism and fact-checking websites in Poland.

They investigate and evaluate statements made by politicians, monitor public spending, and fight for access to public information. Their work also supports grassroots activism; crucial in an environment sliding further and further into authoritarianism and censorship.

OKO Press have paved the way for other news sources to follow suit. This has contributed to a safer and stronger public sphere, fighting for immunity from government propaganda.

The environment in which they work is becoming increasingly hostile. Political polarisation, lack of transparency, suspicion, threats and withholding of information are common. In the face of this, OKO Press shows resilience and determination.

“The prize is a great distinction for us, but also proof that the world is interested in what is happening in Poland. And justly so, because the virus in one EU country will spread further [until] there are no countries left free of infection. It is short-sighted and arrogant to think that Poland or Hungary are irrelevant because they are merely Eastern Europe.

Index on Censorship is the organisation which prevents us from silencing our consciences. In many places of the world we face political violence, laws being broken, and a wave of authoritarian right-wing populism. “

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2020

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
- exposing new and emergent threats
- providing contemporary analysis of comparable restrictions.
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Media Index has launched an extensive project to analyse and expose the impact of vexatious lawsuits on journalists across Europe. This will dominate our media advocacy work as we have aspirations for a draft EU framework as well as seeking to raise the profile of the issue in the UK.

Digital Our work this year has largely focused on the UK's proposals to regulate social media platforms to enhance user safety. Index has been actively engaged with a wide range of stakeholders on this issue - from government to civil service to technology companies to media organisations. Along with other free speech organisations, we are ensuring that freedom of expression is a key item on the agenda.

We are active members of the Global Network Initiative, which brings together tech and telecommunications companies, civil society organisations, academics and investors, to work on free speech and tech issues globally and work closely with European and global partners to defend freedom of expression online.

DEBATE

Index has made it one of our primary goals to reach new audiences. Annually Index staff take part in more than 50 public events, including book launches, panel discussions, and performances of banned plays.

We host our own events, including our launches of our four magazines a year which feature lively speakers and interesting discussions that connect to magazine content.

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.

We have a youth board which changes every six months. We hold monthly discussions with the global group discussing freedom of expression Issues.

Our flagship education programme - Free Speech is for Me - trained campaigners in the US and UK to be advocates for free expression, armed with the knowledge and techniques needed to ensure that free speech is argued for by a diverse population, not just the same faces.

FUNDING

Index on Censorship receives funding from a variety of sources. [Our independence is of central importance](#) to us and is ensured by an independent board of trustees. Funders do not – and are not able to – set the policies of the organisation or of the projects they fund, nor may they have input into, or preferential access, to any research, editorial output or policy development. Funders may not request or require board representation as a condition of their grants.

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

Arts Council England
Clifford Chance
The John S Cohen Foundation
Daily Mail
Dropbox
Edwardian Hotels
The Elaine and David Potter Foundation
Facebook
Fritt Ord

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TRUSTEES' REPORT (continued)

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ACTIVITIES AND OUTCOMES (continued)

Google
Hachette
Koch Foundation
Liverpool John Moores University
Kate Maltby
National Endowment For Democracy
News UK
Open Society Foundation
Nina Power
Sage Publications
Society Of Editors
Swedish Lottery
Swiss Philanthropy
Telegraph Media Group
Twitter
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 2019-20 represented a reduced fundraising performance, with both entities each securing less in funding than the previous year. The Company had ended its 5-year pilot Media Mapping Scheme funded by the European Union, which the previous year had accounted for £118,000. It was also hit by COVID19 necessitating our annual Freedom of Expression Awards ceremony had to move online, with a subsequent loss of £40,000 in sponsorship income. The Charity's two-year special project funding from Arts Council England for developing training for Arts organisations had come to an end the previous year, which represented a differential of £50,000 in funding (ACE continue to fund as a Sector Support Organisation). Donations were down by £60,000, partly due to a previous year one-off donation of £30,000 not being replicated this year and the end of a 5-year personal donation programme from one of our former trustees at £50,000 a year. The project grant from National Endowment for Democracy was for 9-months rather than a full year, representing a reduction in funding of £25,000.

We received continued funding from the David and Elaine Potter Foundation, Fritt Ord, Google and Arts Council England. We received a new grant from Swiss Philanthropy for free speech work in the UK. We also received a new 18-month substantial project grant from the Swedish Lottery for a Europe-wide media project, the majority of which will fall into income for 2020-21. The Company entered its second year of a 2-year grant from Open Society Foundation.

We have continued our relationship with Liverpool John Moores University, who co-fund a one-year internship at Index, 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.

Looking ahead to the financial year 2020-21, when fundraising has to perform significantly better to alleviate the negative reserves position, we can report that we have been in receipt of several COVID19 related emergency funding grants and confidently look forward to reaching our surplus target of £114,000 to break even and possibly even above that to start to rebuild reserves.

The charity does not fundraise with the public and consequently has had no complaints in the year.

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TRUSTEES' REPORT (continued)

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Financial Report and going concern

The group posted a consolidated deficit of £160,596. Writers And Scholars Educational Trust had a deficit for the year of £89,554, while Writers And Scholars International Ltd made had a deficit on the year of £71,042. Both entities are now in negative reserves, the Company of the order of £87,802 and the Charity £26,941. The Consolidated reserves position is therefore negative £114,743. There are no long-term liabilities.

Consolidated expenditure was lower than the previous year, with expenditure on charitable activities down by almost £100,000 representing reduced project spending as previous year project grants had come to an end. Expenditure on fundraising activities was down by £16,000 though the cost of raising funds for donations and legacies increased by over £80,000, with increases in both direct and support costs, largely through restructuring involving senior management training and increased overheads. Over the whole organisation, support costs were up by almost £15,000 on the previous year, reflecting our move into new premises at a higher rent and with more leases for equipment necessitated than in our previous office set up. Overall staff costs were down by £700 as fixed contracts were completed and not renewed.

The inter-company position showed a reduction from the charity owing the company £47,360 to being owed £660. The main activity of Writers And Scholars International Ltd is the publication of the magazine Index on Censorship and this activity will continue within the company.

Since the year-end and following the start of the Covid-19 pandemic, the charity has taken the opportunity to restructure the organisation. This has resulted in less reliance on specific projects with fewer staff being required and several redundancies have been made. A cost cutting exercise has also been undertaken resulting in the charity giving up its office in the near future. A number of emergency funding grants have been secured post year-end which has helped to build up funds. Forecast budgets and cash flows have been prepared for the period to 31 March 2022. These show a return to surplus by 31 March 2021 with negative funds being eliminated. These forecasts indicate that the group has sufficient cash to continue its operations for the foreseeable future.

Reserves policy

The reserves policy has been established 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 that the financial performance of 2019-20 has led to a negative reserves position and after consultation with management, are confident that the negative reserves position will be reversed in 2020-21 to leave a small positive level and that the aim for 2021-22 must be to build significantly back towards the stated desired level. This will be reflected in the organisation's budget for 2021-22. It has also been noted that a recalculation of the reserves level would be in order in 2021 once the organisation works remotely.

The level of unrestricted funds is a negative £114,000. There were no restricted funds.

Public Benefit

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 through podcasting and video recordings available through our website and social media 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,

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TRUSTEES' REPORT (continued)

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while the entire archive from years previous to the current one are available for free online. Increasing social media followers and web viewing figures attest to the widening of our audience. This year we continued our specialist "Journalists' Toolbox" for working in challenging environments, which we published in English, Spanish, Arabic and Russian.

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 also ran a pilot scheme here in the UK and the US, mentoring and giving media training for spokespeople in under-represented communities to enable them to engage in public debate. We have worked directly with a number of youth and educational agencies and be 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.

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 had previously 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. These were updated within the year to reflect new case studies and changes in the law. With our Arts Council funding, we have developed 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 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. A new Chief Executive, Ruth Smeeth, was appointed in the year.

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 regularly reviewed 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 2020 the following risks were considered:

WRITERS & SCHOLARS EDUCATIONAL TRUST

TRUSTEES' REPORT (continued)

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1) Financial

The Board were alerted in good time about the shortfall in income for the financial year and the likelihood of negative reserves. The auditors were consulted in January being similarly advised and a strategy worked out on the basis of their advice. The financial position was carefully managed with continuous updating to the Board and it looks as though going ahead we have managed our way back into a positive reserves situation.

2) COVID19 Pandemic

Staff were working from home before the nationwide lockdown so the organization was in position to be an early adopter of government policy and advice. Small adjustments were required for working from home but the transition has been managed so successfully that from mid-2021 the organisation will go officeless when it can activate the break clause in the lease. This will also bring financial savings.

Staff mental health has been monitored and from winter 2020 there will be formal support for any mental health issues. The lack of social interaction has been compensated for by daily team online get-togethers, informal as well as formal.

The organisation has been able to secure sustainability emergency funding from several sources, that has enabled it to operate without significant financial concerns during the pandemic. The one real effect for the organisation was its ability to stage live events, but we have adapted and the 2020 Freedom Of Expression Awards Ceremony was conducted online.

3) Loss of Capacity

As part of our measures to manage our financial shortfall, fixed contracts were run down with the staff members not being replaced and a minor restructure which included one post made redundant. The organisation has managed these changes without any fall off of output.

4) Staff disgruntlement

The organisation faced one industrial tribunal for constructive dismissal which was paid out by our insurers save for the excess. The lawyers were provided for by the insurers with the Board being updated regularly. Subsequently discussions have been held with the insurers and their lawyers about our processes in any future similar event, with the processes outlined in the staff handbook needing to be followed precisely being reiterated.

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

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TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2020

STATEMENT OF TRUSTEES' RESPONSIBILITIES (continued)

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 23 March 2021 and signed on its behalf by:

Trevor Phillips

Trevor Phillips
Chair

WRITERS & SCHOLARS EDUCATIONAL TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 MARCH 2020

Status

The Writers and Scholars Educational Trust is a registered charity, number 325003, constituted by the Trust Deed dated 25 March 1971. In June 2016 the charity was converted into the status of a corporate trustee, WSET Trustee Ltd, company registered number 10188386.

The directors of WSET Trustee Ltd are:

Trevor Phillips (Chair)

David Aaronovitch resigned 25/09/2020

Sarah Sands appointed 05/10/2020

Elaine Potter

David Schlesinger

Kate Maltby

Sanjay Nazerali resigned 22/11/2019

Kiri Kankhwende

Sarah Sands appointed 05/10/2020

James Goode appointed 07/01/2021

Andrew Franklin appointed 07/01/2021

David McCune resigned 06/06/19

Management

Ruth Smeeth – Chief Executive

David Sewell – Finance Director

Jemimah Steinfeld – Head of Content

The principal address and contact details

Autograph Building

1 Rivington Place

London

EC2A 3BA

Telephone: 020 3848 9820

E-Mail: ceo@indexoncensorship.org

Auditors:

Haysmacintyre LLP, 10 Queen Street Place, London, EC4R 1AG

Bankers:

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

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 2020 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 2020 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 10 to 11, 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.

Emphasis of matter

We draw attention to note 1 (Going concern accounting policy) to the financial statements which refers to the charity's going concern position. Our opinion is not modified in this respect.

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.

INDEPENDENT AUDITORS' REPORT

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

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.

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.

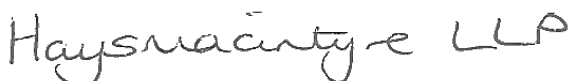
Matters on which we are required to report by exception

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 LLP
Statutory Auditor

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

Date: 24th March 2021

WRITERS & SCHOLARS EDUCATIONAL TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
INCOME FROM:					
Donations & legacies	2	311,163	126,417	437,580	574,025
Charitable activities					
Publishing fees & royalties	3	107,559	-	107,559	104,627
Other income from charitable activities	3	167,468	-	167,468	146,181
Other trading activities					
Events income	3	13,593	-	13,593	74,519
Investments		17	-	17	46
TOTAL INCOME		<u>599,800</u>	<u>126,417</u>	<u>726,217</u>	<u>899,398</u>
EXPENDITURE ON:					
Raising funds					
Donations and legacies	4	305,504		305,504	222,349
Fundraising activities	4	14,817		14,817	31,121
Charitable activities	4	440,075	126,417	566,492	660,194
TOTAL EXPENDITURE		<u>760,396</u>	<u>126,417</u>	<u>886,813</u>	<u>913,664</u>
NET INCOME/(EXPENDITURE) NET MOVEMENT IN FUNDS		(160,596)	-	(160,596)	(14,266)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>45,853</u>	-	<u>45,853</u>	<u>60,119</u>
TOTAL FUNDS CARRIED FORWARD		<u>£(114,743)</u>	<u>-</u>	<u>£(114,743)</u>	<u>£45,853</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 2020

		Group		Charity	
	Notes	2020 £	2019 £	2020 £	2019 £
FIXED ASSETS					
Tangible assets	7	15,865	12,105	-	-
CURRENT ASSETS					
Debtors	8	34,798	182,116	30,071	123,476
Cash at bank and in hand		34,011	5,419	31,319	3,685
		68,809	187,535	61,390	127,161
CREDITORS: Amounts falling due within one year	9	(199,417)	(153,787)	(88,331)	(83,065)
Net current assets		(130,608)	33,748	(26,941)	44,096
NET ASSETS		(114,743)	£45,853	£(26,941)	£44,096
FUNDS					
Unrestricted income funds	10	(114,743)	45,853	(26,941)	44,096
Restricted income funds	11	-	-	-	-
TOTAL FUNDS		£(114,743)	£45,853	£(26,941)	£44,096

The accounts were approved by the Trustees and authorised for issue on 23 March 2021 and signed on their behalf by:

Trevor Phillips

Trevor Phillips
Chair

WRITERS & SCHOLARS EDUCATIONAL TRUST

STATEMENT OF CONSOLIDATED CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

	2020	2019
	£	£
Cash flows from operating activities:		
Net cash provided by/(used in) operating activities (see below)	36,059	(171,509)
Cash flows from investing activities:		
Purchase of fixed assets	(7,467)	(4,728)
Net cash (used in) investing activities	(7,467)	(4,728)
Net cash provided by financing activities		-
Change in cash and cash equivalents in the year	28,592	(176,237)
Cash and cash equivalents at the beginning of the year	5,419	181,656
Cash and cash equivalents at the end of the year	£34,011	£5,419

RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020	2019
	£	£
Net (expenditure) for the reporting year (as per the statement of financial activities)	(160,596)	(14,266)
Adjustments for:		
Depreciation	3,707	4,121
Decrease/(increase) in debtors	147,318	(111,608)
Increase/(decrease) in creditors	45,630	(49,756)
Net cash (used in)/provided by operating activities	£36,059	£(171,509)

ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2019	Cash flows	Other non-cash changes	At 31 March 2020
	£	£	£	£
Cash and bank	5,419	28,592	-	34,011

WRITERS & SCHOLARS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2020

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 Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019), and 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 Group has recorded a deficit in the year of £160,596 with overall funds in deficit by £114,743. Since the year-end and following the start of the Covid-19 pandemic, the charity has taken the opportunity to restructure the organisation. This has resulted in less reliance on specific projects with fewer staff being required with a redundancy having taken place and other staff not being replaced. A cost cutting exercise has also been undertaken resulting in the charity giving up its office in the near future. A number of emergency funding grants have been secured post year-end which has helped to build up funds. Forecast budgets and cash flows have been prepared for the period to 31 March 2022. These show a return to surplus by 31 March 2021 with negative funds being eliminated. These forecasts indicate that the group has sufficient cash to continue its operations for the foreseeable future. The trustees consider there to be no material uncertainties relating to going concern.

As a result of the above, the accounts have been prepared on a going concern basis which the trustees consider to be appropriate.

Basis of consolidation

The group financial statements consolidate those of the charity and its subsidiary company, Writers and Scholars International Limited ("the Company") drawn up to 31 March 2020. 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 2020

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 2020

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

	2020 £	2019 £
Donations	96,270	156,092
Grants:		
David & Elaine Potter Foundation	36,000	40,000
Fritt Ord	51,980	40,748
Google	50,000	-
Arts Council England	43,122	53,122
Charles Koch Foundation (via Friends of Index)	-	29,893
Other grants	34,005	48,114
Grants received by Writers & Scholars International Limited	126,203	206,056
	<u>£437,580</u>	<u>£574,025</u>

WRITERS & SCHOLARS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2020

3. CHARITABLE ACTIVITIES - 2020	Unrestricted Funds £	Restricted Funds £	2020 £	2019 £
Liverpool John Moores University	10,722	-	10,722	9,832
National Endowment for Democracy	58,664	-	58,664	81,417
Arts Council England	-	-	-	45,000
Swiss Philanthropy	39,219	-	39,219	-
Swedish Lottery	41,077	-	41,077	-
Publishing fees and royalties	107,559	-	107,559	104,627
Event income	13,593	-	13,593	74,519
Other direct income	17,786	-	17,786	9,932
	<u>£288,620</u>	<u>-</u>	<u>£288,620</u>	<u>£325,327</u>
CHARITABLE ACTIVITIES - 2019	Unrestricted Funds £	Restricted Funds £	2019 £	2018 £
Liverpool John Moores University	9,832	-	9,832	9,832
National Endowment for Democracy	81,417	-	81,417	240,538
Arts Council Europe	45,000	-	45,000	-
Publishing fees and royalties	104,627	-	104,627	102,201
Event income	74,519	-	74,519	123,708
Other direct income	9,932	-	9,932	6,053
	<u>£325,327</u>	<u>-</u>	<u>£325,327</u>	<u>£482,332</u>
4. ANALYSIS OF EXPENDITURE - 2020	Direct Costs £	Support Costs £	Total 2020 £	Total 2019 £
Charitable activities:				
Publications	132,511	128,950	261,461	266,443
Projects	216,942	86,718	303,660	393,575
	<u>349,453</u>	<u>215,668</u>	<u>565,121</u>	<u>660,018</u>
Raising funds – donations and legacies	117,381	189,495	306,876	222,525
- fundraising activities	14,817	-	14,817	31,121
TOTAL	<u>£481,651</u>	<u>£405,164</u>	<u>£886,813</u>	<u>£913,664</u>
ANALYSIS OF EXPENDITURE - 2019	Direct Costs £	Support Costs £	Total 2019 £	
Charitable activities:				
Publications	130,580	135,863	266,443	
Projects	276,138	117,437	393,575	
	<u>406,718</u>	<u>253,300</u>	<u>660,018</u>	
Raising funds – donations and legacies	85,399	137,126	222,525	
- fundraising activities	31,121	-	31,121	
TOTAL	<u>£523,238</u>	<u>£390,426</u>	<u>£913,664</u>	

WRITERS & SCHOLARS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2020

SUPPORT COSTS CONSIST OF:

	2020	2019
	£	£
Staff costs	251,129	256,976
Premises	56,968	47,896
Office and administration	66,433	38,330
Professional and consultancy	6,822	17,413
Currency exchange differences	1,561	1,808
Irrecoverable VAT	5,690	9,814
Depreciation	3,707	4,121
Governance (see note 5)	12,854	14,068
	<u>£405,164</u>	<u>£390,426</u>

5. GOVERNANCE COSTS

	2020	2019
	£	£
Auditor's remuneration	11,850	10,700
Other fees	951	3,201
Meeting expenses	53	167
	<u>£12,854</u>	<u>£14,068</u>

Other fees payable to the auditors amounted to £951 (2019: £2,100)

No trustees received any remuneration (2019: £nil) and no trustees were reimbursed for travel costs (2019: £nil).

6. EMPLOYEES

	2020	2019
	£	£
Group staff costs were as follows:		
Wages and salaries	446,250	457,424
National insurance contributions	45,554	34,098
Pension contributions	7,135	8,155
	<u>£498,939</u>	<u>£499,677</u>

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

	No.	No.
Charitable activities	11	11
Management and support	3	3
	<u>14</u>	<u>14</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 £228,590 (2019 - £274,851).

WRITERS & SCHOLARS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2020

7. FIXED ASSETS

Group	Fixtures and Fittings £	Computers £	Total £
Cost			
At 1 April 2019	12,118	25,572	37,690
Additions	6,240	1,227	7,467
Disposals	-	-	-
At 31 March 2020	10,183	26,799	45,157
Depreciation			
At 1 April 2019	6,175	19,410	25,585
Charge for the year	1,394	2,313	3,707
Disposals	-	-	-
At 31 March 2020	7,569	21,723	29,292
Net Book Value			
At 31 March 2020	£2,614	£5,076	£15,865
At 31 March 2019	£6,700	£5,405	£12,105

8. DEBTORS

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Trade debtors	-	62,757	-	55,057
Prepayments	14,924	18,448	10,173	11,055
Accrued income	5,195	84,548	5,195	41,001
Other debtors	14,679	16,363	14,043	16,363
Due from Writers and Scholars Int'l Ltd	-	-	660	-
	£34,798	£182,116	£30,071	£123,476

9. CREDITORS: amounts falling due within one year

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Bank overdraft	1,145	42,312	-	-
Trade creditors	2,551	14,127	-	4,322
Other creditors	-	-	-	-
Taxation and social security	8,019	15,676	8,019	10,651
Accruals	20,907	32,743	10,573	20,733
Deferred income	166,795	48,929	69,739	-
Due to Writers and Scholars International Ltd	-	-	-	47,359
	£199,417	£153,787	£88,331	£83,065

WRITERS & SCHOLARS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2020

DEFERRED INCOME	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Brought forward	48,929	100,298	-	-
Released in the year	(48,929)	(100,298)	-	-
Deferred in the year	166,795	48,929	69,739	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Carried forward	<u>£166,795</u>	<u>£48,929</u>	<u>£69,739</u>	<u>£-</u>

Deferred income relates to grant income received in advance for the next accounting period.

10. UNRESTRICTED INCOME FUNDS – GROUP - 2020	WSET	WSIL	TOTAL
	£	£	£
Balance brought forward	44,101	1,752	45,853
Net income	(71,042)	(89,554)	(160,596)
	<u> </u>	<u> </u>	<u> </u>
Balance carried forward	<u>£(26,941)</u>	<u>£(87,802)</u>	<u>£(114,743)</u>

UNRESTRICTED INCOME FUNDS – GROUP - 2019	WSET	WSIL	TOTAL
	£	£	£
Balance brought forward	73,209	(15,940)	57,269
Net income	(29,108)	17,692	(11,416)
	<u> </u>	<u> </u>	<u> </u>
Balance carried forward	<u>£44,101</u>	<u>£1,752</u>	<u>£45,853</u>

11. RESTRICTED FUNDS - 2020	Balance at 1 April 2019 £	Income £	Expenditure £	Balance at 31 March 2020 £
National Endowment for Democracy	-	81,417	(81,417)	-
Arts Council England	-	45,000	(45,000)	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	<u>£ -</u>	<u>£126,417</u>	<u>£(126,417)</u>	<u>£-</u>

RESTRICTED FUNDS - 2019	Balance at 1 April 2018 £	Income £	Expenditure £	Balance at 31 March 2019 £
National Endowment for Democracy	-	81,417	(81,417)	-
Arts Council England	2,850	45,000	(47,850)	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	<u>£2,850</u>	<u>£126,417</u>	<u>£(129,267)</u>	<u>£ -</u>

WRITERS & SCHOLARS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2020

11. RESTRICTED FUNDS (Continued)

Nature and purpose of each fund:

National Endowment for Democracy – funding for the media and mapping freedom project.

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, and is a subsidiary of the charity. 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.

	2020 £	2019 £
PROFIT AND LOSS ACCOUNT		
Turnover	256,565	379,556
Cost of sales	(252,999)	(299,729)
Gross profit	3,566	79,827
Overhead expenditure	(93,125)	(62,392)
Operating profit/(loss)	(89,559)	17,435
Interest receivable	-	-
Profit/(Loss) for the financial year	£(89,559)	£17,435
BALANCE SHEET		
Fixed assets	15,865	12,105
Current assets	8,078	107,732
Creditors falling due within one year	(111,746)	(118,081)
Net current (liabilities)/assets	(103,668)	(10,349)
Capital and reserves	(87,803)	£1,756

Transactions

During the year expenditure of £16,439 (2019: £32,981) 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 £660 (2019: due to Writers & Scholars International Limited £47,359).

13. RELATED PARTY TRANSACTIONS

The David and Elaine Potter Foundation made a grant of £36,000 (2019: £40,000) in the year, with £nil (2019: £nil) due to be received at the year end. Elaine Potter is a trustee of the charity. Kate Maltby, a trustee of the charity donated £6,193 to the charity in the year (2019: £nil).

WRITERS & SCHOLARS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2020

14. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES - 2019

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £
-			
INCOME FROM:			
Donations & legacies	574,025	-	574,025
Charitable activities			
Publishing fees & royalties	104,627	-	104,627
Other income from charitable activities	19,764	126,417	146,181
Other trading activities			
Events income	74,519	-	74,519
Investments	46	-	46
TOTAL INCOME	<u>772,981</u>	<u>126,417</u>	<u>899,398</u>
EXPENDITURE ON:			
Raising funds			
Donations and legacies	222,349	-	222,349
Fundraising activities	31,121	-	31,121
Charitable activities	530,927	129,267	660,194
TOTAL EXPENDITURE	<u>784,397</u>	<u>129,267</u>	<u>913,664</u>
NET INCOME/(EXPENDITURE) NET MOVEMENT IN FUNDS	(11,416)	(2,850)	(14,266)
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>57,269</u>	<u>2,850</u>	<u>60,119</u>
TOTAL FUNDS CARRIED FORWARD	<u>£45,853</u>	<u>£ -</u>	<u>£45,853</u>

15. POST BALANCE SHEET EVENTS

In January 2021, the country went into another lockdown. This has resulted in uncertainty as to whether the charity's awards events now due to be held in September 2021 can take place. It not it will be held remotely. This may also affect the charity's fundraising ability which takes place at the same time. Other activities and projects as well as publishing Index on Censorship have taken place remotely and are able to continue as normal.