

WRITERS & SCHOLARS EDUCATIONAL TRUST
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

Charity Number: 325003

WRITERS & SCHOLARS EDUCATIONAL TRUST
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

CONTENTS	Page
Trustees' report	1 – 12
Legal and administrative information	13
Independent Auditors' report	14 – 15
Consolidated statement of financial activities	16
Balance sheets	17
Statement of Cash Flows	18
Notes to the financial statements	19 - 27

WRITERS & SCHOLARS EDUCATIONAL TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2019

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

Most charitable organisations within hailing distance of their fiftieth birthdays would be looking forward to their celebration, if only because they have survived. At Index we approach our half century, due in 2022, in good health, but with mixed feelings. It is a tribute to our supporters, funders and our professionals that we still exist and thrive, half a century on from our launch in defence of men and women whose voices were being stifled behind the Iron Curtain and beyond.

But it is, in some ways, dispiriting that in an era where democracy has, it is said, spread across the globe, our magazine team still encounters more examples than it can report of the suppression of writers, journalists, artists and those who support them, such as lawyers and political activists. What is perhaps most alarming is that whilst many of the issues that Index monitors, confronts and campaigns on reflect the rise and entrenchment of authoritarian regimes, increasingly our concerns stem from repression in domains that should be entirely open to diversity of thought and expression: university campuses and the internet.

At a time when societies appear to be deeply divided, attempts to impose conformity come from all parts of the political spectrum. The role of Index as an honest, consistent champion of the right to speak as we find could not be more important. The practical challenges facing government, legislators, media and creative businesses increasingly require the depth of knowledge and experience stored in our small professional team. The three years running up to our half century will be some of the most demanding of our history.

As trustees, we know that we will increasingly need to seek wider support, financially and otherwise from those who value the fundamental human right to speak and to think freely. I have no doubt that this who've stood by us for two generations will be there; through, for example, our new membership scheme, our Chairman's Circle initiative, and our new US-based arm, we will widen that circle. The cause of freedom of expression has never ceased to be relevant; but rarely has it been tougher to defend.

- 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, training and education, and by providing expert comment and analysis.

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 campaigns for change

Index uses expertise and information gathered in its magazine, its online reporting, and through specific projects to call 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.

WRITERS & SCHOLARS EDUCATIONAL TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2019

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 2018/19, we participated in more than 70 events covering everything from online censorship to media freedom. We took part in literary and music festivals, and spoke at universities, art galleries and newsrooms.

Overview of the year 2018-19

This year, Index worked to strengthen its work providing practical support and guidance to those facing censorship. We produced a report and guide on free speech in UK universities, launched a major new advisory service for arts organisations and continue to provide personalised support to individuals facing censorship via our Freedom of Expression Awards Fellowship.

We completed our four year monitoring project recording threats to media freedom in Europe and are pleased that - having incubated this ground-breaking initiative - it will now be taken on by the European Centre for Press and Media Freedom. Media freedom remains central to our work and we played an integral role in the first ever Defend Media Freedom conference - a global call to action co-hosted in London by the UK and Canadian governments.

Our advocacy work has centred around threats to freedom of expression online and in particular UK plans to regulate social media platforms. We gave evidence to parliamentary committees and consultations, and hosted UN special rapporteur David Kaye. As governments and societies worldwide grapple with the challenges of unfettered online speech, Index is well placed to help ensure proper consideration is given to free speech protections in this brave new digital world.

ACTIVITIES AND OUTCOMES

INFORM

Magazine

This year, the magazine's entire online archive became free for the first time ever, making more than 45 years of publications of Index on Censorship magazine free to read globally.

Thanks to our publishers SAGE, the [archive is now available on the SAGE Publishing website](#), where users can browse by year or keyword search. Until this year, access to the magazine archive had been through paid subscription. From 2019 all back issues of the magazine, excluding the four most recent issues, will be freely available.

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 to Amartya Sen and Ariel Dorfman. Editor Rachael Jolley was named [British Society of Editors' editor of the year](#) in the specialist publication category in 2016 and the magazine has received numerous awards including the [Hermann Kesten prize](#).

The magazine is available in more than 9,000 universities worldwide and more than 2,000 hard copies of the magazine were distributed for free at events globally during the year.

Autumn 2018: The Age of Unreason

This edition asked whether we are turning away from facts, reason and science in favour of emotions, with articles from TV presenter Evan Davis about why we are willing to believe lies and Kaya Genç in Turkey exploring the attack on science in the education system. Outside the special report, Nobel Prize winner Herta Müller discussed being threatened by the secret police in Romania.

Winter 2018: Birth, marriage and death

WRITERS & SCHOLARS EDUCATIONAL TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2019

ACTIVITIES AND OUTCOMES (continued)

This issue looked at why different societies stop people discussing the most significant events in life: from China to Brazil to Scotland. We also featured an original play from Syrian dramatist Liwaa Yazji and new writing from flash fiction author Neema Kombaimagines.

Spring 2019: Is this all the local news?

We considered the impact when local newspapers disappear and decline, including a specially commissioned survey on UK newspapers, and a look at how Italy is stopping journalists reporting on refugees crossing the Mediterranean. We also published an original short story by historian and China expert Jeffrey Wasserstrom.

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.

Sidebar: 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.

"The Tim Hetherington Fellowship is an incredible opportunity that has provided me with invaluable experience and the skills needed to accelerate my journalism career. Through my time at Index, I have gained fascinating insights into limitations to free expression around the world and understand just how important it is to make your voice heard."
Lewis Jennings, 2018/19 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 pageviews for the 12 months to 31 July are 54,832 compared to 93,514 in the same period a year earlier.

Our Facebook page has 11,000 likes and our main Twitter account has 69,200 followers.

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. Index currently has three projects aimed at doing just that.

Journalists Toolbox

This 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 26 interviews with 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 2019

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.

Side bar 1:

Monitoring Media Freedom

Our Monitoring and Advocating for Media Freedom project monitors threats, limitations and violations related to media freedom in Azerbaijan, Belarus, Russia, Turkey and Ukraine to identify and analyse issues, trends and drivers and explore possible response options and opportunities for advocating media freedom. The project collects and analyses limitations, threats and violations that affect a journalist as they do their job.

It builds on our Mapping Media Freedom project which monitored the European Union and neighbouring countries from 2014-2018.

Our latest report, Trolls and Insults, examined the way in which the government of Ilham Aliyev has turned its attention to silencing critics in exile following the total capture of the media environment inside the country.

Side bar 2: Arts Censorship Support Service

In May, we launched a new service to support arts organisations facing censorship. Building on a successful program of workshops for senior managers and boards in 2018, the Arts Censorship Support Service is open to anyone in the cultural sector, employed or self-employed and the initial consultation is free of charge.

Index on Censorship staff -- as well as a network of senior-level cultural sector and legal professionals with significant experience in managing complex ethical, reputational and legal issues -- are available to offer advice on a wide range of issues, including:

- Checking at the earliest stage of production of a new work whether there is the potential of a legal challenge
- Advising on a communications strategy in support of provocative work
- Advising how to manage hostile media attention
- Providing moral support and guidance on how to deal with the emotional stress associated with controversy.

A [resource centre on the Index website](#) also provides information via [case studies](#) that examine examples of how arts organisations have handled highly sensitised, contentious and complex issues in today's society. Collectively, the case studies aim to equip arts organisations and artists with insight into what worked and what didn't, what was contested, and what lessons were learned.

The Arts Censorship Support Service is part of a broader programme of work offering practical tools for tackling censorship. Index also offers bespoke training and consultancy at all levels, from one-to-one consultancy to boards and staff training, from schools' workshops to development of bespoke guidance on freedom of expression.

Later in 2019, our five booklets on the laws governing freedom of expression in the UK are being reissued for a more general audience in response to growing demand for clearer guidance on what constitutes legal expression.

WRITERS & SCHOLARS EDUCATIONAL TRUST

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2019

ACTIVITIES AND OUTCOMES (continued)

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 comedian Nish Kumar.

The 2019 fellows are:

Arts: Zehra Dogan

When journalist and artist Zehra Dogan realised her reports from Turkey's Kurdish region were being ignored by mainstream media, she began painting the destruction in the town of Nusaybin and sharing it on social media. For this she was arrested and imprisoned. In jail, Dogan continued to write and paint despite the administration's refusal to supply her with materials. Dogan was freed from jail in February and in May exhibited at the Tate art gallery in London.

Campaigning: Cartoonist Rights Network International

A small organisation with a big impact, CRNI monitors threats and abuses against editorial cartoonists worldwide. CRNI helps to focus international attention on cases in which cartoonists are persecuted and put pressure on the persecutors, tracking censorship, fines, penalties and physical intimidation – including of family members, assault, imprisonment and even killings. Index will work to help CRNI further raise its profile and its fundraising efforts in 2019/20.

Digital Activism: Fundacion Karisma

Fundacion Karisma is a Colombian civil society organisation that challenges online trolls by using witty online 'stamps' that flag up internet abuse. It is an initiative using humour to draw attention to a serious problem: the growing online harassment of women in Colombia and its chilling effect. The organisation offers a rare space to discuss many issues at the intersection of human rights and technology and tackles them through research, advocacy and digital tools.

Journalism: Mimi Mefo

Mefo is an award-winning broadcast journalist at private media house Equinoxe TV and Radio working to address Cameroon's climate of repression and self-censorship. Mefo was arrested in November 2018 after publishing reports that the military was behind the death of an American missionary and is a leading voice in exposing the harassment of other Cameroonian journalists. In July, she spoke at the UK's global conference on media freedom.

About the Fellowship

The awards fellowship has four main goals:

Survive: Index helps fellows build key partnerships, troubleshoot and receive expert support in multiple areas including digital security, strategy and communications.

"The fellowship has connected us with technology experts, and helped build capacity for our staff members and senior members of management. For Amal Fathy's case, Index took great interest through publicity, lobbying and lodging complaints to the UN." ECRF, Campaigning fellows 2018.

WRITERS & SCHOLARS EDUCATIONAL TRUST

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2019

ACTIVITIES AND OUTCOMES (continued)

Thrive: Fellows work with Index and partners to identify and realise key strategic goals.

"The recognition and support from Index has been a motivator and helped me rediscover the value of doing journalism that is ethical, honest and rigorous." Wendy Funes, journalism fellow 2018

Amplify: Index promotes news and regional developments through our magazine, website and social media.

"The award has increased how well known the project and how serious it appears to the public." Habari RDC, Digital activism fellows 2019

Network: Fellows become part of a supportive community of free expression champions worldwide.

"It has been an incredible experience to be part of the fellowship. Not only because of the contacts and the visibility it gave to the museum, but also because of the support you showed in sharing our actions and activities. Throughout the year we felt supported, and that helped us to carry out our work with more strength and security. Index is an indisputable part of all the struggles of their fellows." Museum of Dissidence, Art fellows 2018

Side bar: How the fellowships work: Wendy Funes

Index awarded the 2018 Freedom of Expression Awards Fellowship in Journalism to Wendy Funes, an investigative journalist based in Honduras. During the year of her fellowship, Index supported with business planning and advice, funding applications and seed funding for a new training centre, which opened in 2019. She was selected to be a judge for UNESCO's prestigious xxx press freedom prize in 2018.

"We are happy for all the support that Index has given us to consolidate a project that is one of our big dreams and whose first stones bear the seal and the helping hand of Index." Wendy Funes

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.

Media

Index completed its four year monitoring project, Mapping Media Freedom, during the year with a final report that examined trends in Europe and neighbouring countries, including threats to media freedom from national security laws, restrictions on public broadcasting and in covering protests. Index - along with colleagues at English PEN - intervened in the case of two Northern Irish journalists being investigated over a documentary that examined claims of state collusion in the murders of six men. We were pleased the investigation was dropped following the judicial review.

Campaigning by Index and partner organisations helped to secure safeguards for journalistic work in the UK's widely criticised Counter-Terrorism and Border Security Act 2019, but concerns remain about protection of journalists' sources when stopped by border officials.

Index also played a key role in a major UK conference on media freedom in July 2019 and continues to provide alerts to the Council of Europe platform for the protection of journalism, which alerts member states to attacks on media freedom.

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.

WRITERS & SCHOLARS EDUCATIONAL TRUST

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2019

ACTIVITIES AND OUTCOMES (continued)

Academic

In late 2018, Index launched its special report on freedom of expression on UK university campuses, along with guidelines and recommendations for government, university authorities and student groups. Index speaks regularly on the topic of freedom of expression in universities worldwide, including talks this year at Griffith University in Brisbane, Oxford University, and Sheffield.

DEBATE

Index has made it an explicit target to reach new audiences. We rarely sit still. In 2018/19, Index staff took part in more than 70 public events, from keynote speeches to academic seminars to post-show discussions - with some uncensored storytelling thrown in for good measure. We spoke everywhere from Berlin to Birmingham, from New York to Norwich and from San Francisco to Southend. In the process, we reached more than 6,000 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 2019/20 AND BEYOND: A NOTE FROM THE CEO

"Free speech" has become something of a dirty word in the past few years. Adopted as a mantra by those who use it to justify bigoted and hateful views, it has become sullied, creating a space in which more and more people are willing to champion censorship as a tool for fighting repression. Yet we know from our work that freedom of expression is a powerful force for good, an essential tool through which minorities can fight for their rights, and that censorship almost always benefits the oppressor, not the oppressed.

To tackle this, Index has launched Free Speech Is For Me! - a programme in the United States and UK - that will offer training and mentoring to individuals from social movements that have become sceptical about the value of free speech. Free Speech Is For Me! aims to reclaim freedom of expression as a universal value and a fundamental freedom that can benefit all.

In addition, we'll be touring US campuses in autumn and spring with individuals who have faced censorship to help spur discussions about why censorship rarely weeds out only "bad" speech.

We're also responding to increased demand for clear information about the laws governing freedom of expression in the UK with a reissue of our Art and the Law guidance, which considered UK legislation and case law on free speech, for a general audience. And we'll be responding to challenges faced by employers and individuals in navigating freedom of expression online with new consultancy and advisory services.

As we look towards the 20th anniversary of the Index awards in 2020 and to our 50th anniversary in 2022, we look forward to working with partners old and new.

Jodie Ginsberg

WRITERS & SCHOLARS EDUCATIONAL TRUST

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2019

ACTIVITIES AND OUTCOMES (continued)

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
The British Council
Clifford Chance
The John S Cohen Foundation
Daily Mail
Dropbox
Edwardian Hotels
The Elaine and David Potter Foundation
European Commission
Facebook
Flying Dog Brewery
France Media Monde
Fritt Ord
Google
Hachette
Koch Foundation
Liverpool John Moores University
Mainframe
David McCune
National Endowment For Democracy
News UK
Noel Coward Foundation
Open Society Foundation
Private Internet Access
Psiphon
Sage Publications
Society Of Editors
Sonos
Telegraph Media Group
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.

WRITERS & SCHOLARS EDUCATIONAL TRUST

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2019

Fundraising

The financial year 2018-19 represented a solid fundraising performance in terms maintaining a very similar profile to the previous year in terms of our income. Total income decreased by about £129,000, mainly due the end of a disbursement grant where we were acting as a fiscal sponsor to one of our Fellows, therefore had no impact on our charitable activities. Donations were up slightly on previous year, with a £30,000 donation from Mainframe, given in the form of bitcoin, our first ever such donation. We received continued funding from the David and Elaine Potter Foundation, Fritt Ord, Google and Arts Council England (which is a four year grant). We received a new grant from the Koch Foundation via Friends of Index, for free speech work in the United States. The National Endowment for Democracy renewed their grant for our Media Mapping Freedom project, but the new grant didn't begin until after the financial year and so was not included in income for 2018-19.

Writers and Scholars International income rose by £112,000, reflecting a special one-off grant for £48,000 from the European Union in addition to the funding they provided through the European Centre For Press And Media Freedom, for the final year of our Media Mapping Freedom project. The other £52,000 comes from switching the Annual Awards gala sponsorship from the Charity to the Limited Company due to its growth in recent years. This has obviously had the corollary of lowering Writers and Scholars Educational Trust's income from fundraising events by the equivalent amount. The Fellowship and Index on Censorship Annual Awards were supported by Sage Publications, Vodafone, Private Internet Access and a variety of media companies such as The Daily Mail, The Daily Mirror, The Telegraph group, Society of Editors and France 24. In addition we had as sponsors in kind - Psiphon, Vice News, Edwardian Hotels, CNN and Flying Dog Breweries.

Writers and Scholars International also received the first full year of a two year grant from the 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 had a donation from Wellesley University to help fund a summer intern programme here at Index for three of their current students.

Financial Report

The Trustees report that the group posted a consolidated deficit on unrestricted funds of £11,416. Writers And Scholars Educational Trust had a deficit for the year of £29,108, while Writers and Scholars International Ltd made a profit on the year of £17,435. This profit has been enough to wipe out the Company's negative reserve position, so that it now has positive reserves of £1,756. The deficit made by the Charity has seen its reserves fall from £73,209 to £44,096. The consolidated reserves position is therefore £45,853, down from the previous year's £57,269. All the reserves are unrestricted funds. The repayment of a grant to the EU by the Company from last year's accounts has now been repaid in full, so there are no longer-term liabilities.

Consolidated expenditure was lower across all of the major headings. Total expenditure fell from just over £1million in 2017-18, to £913,664 this year. Again, part of this was due to the end of the disbursement grant, but the costs of raising funds was also down on previous year by £86,000. Support costs were virtually unchanged from the previous year, with staff costs on activities being almost exactly the same as 2018-19. Wages and salaries as a whole were up by £27,000, reflecting the organisation having one more staff member than in the previous year.

The inter-company position showed a shift from Writers and Scholars Educational Trust owing £47,359 to Writers and Scholars International Ltd, as compared with the Company owing the Charity £2,147 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 that we are still some way short of this stated target, as reserves sit at a level of £45,000. 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 2019-20 is to significantly bolster our reserves level on the way to building up to the target.

The level of unrestricted funds is £45,853.

The level of restricted funds is £nil.

There are no designated or endowment funds.

WRITERS & SCHOLARS EDUCATIONAL TRUST

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2019

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 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. 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 our ongoing 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 46 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.

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 also have projects in the UK and the US to provide mentoring and media training for spokespeople in under-represented communities to engage in public debate.

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 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.

WRITERS & SCHOLARS EDUCATIONAL TRUST

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2019

Governance and Management Trustee Board (continued)

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 2019 the following risks were considered.

1) Financial

The fundraising profile is changing for 2019 with new projects coming on line and existing ones coming to an end which will not be renewed. This has several risks –

- i. The fundraising profile is changing, with more income earmarked for restricted fund activity and potentially lower percentages for core costs than in previous years. Core fundraising will have to meet this changing profile.
- ii. With these projects, there will be more external contractor hires who will be administering the expenditure of money and who therefore need proper oversight and clearly stated legal provisions in their contracts
- iii. The business plan has set out clear targets for increased fundraising in each of the separate categories of donors
- iv. Trustees raised the issue of political alignment of donors that might affect the chances of other donors who are aligned differently. The organisation has not encountered this and remains steadfastly non-aligned itself and promotes a strategy of political inclusion.

2) Compliance

- i. Trustees reviewed our first year of compliance under GDPR legislation.
- ii. As above, strict oversight will be required for external contractors' performance and delivery

3) Mental health

- i. A consideration of the privacy of mental health issues being reported to line managers and those managers' responsibility to report it to the SMT has been fully defined.
- ii. Senior managers will receive training in the year on how to spot and manage mental health issues in staff

WRITERS & SCHOLARS EDUCATIONAL TRUST

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2019

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.



19 09 19



WRITERS & SCHOLARS EDUCATIONAL TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 MARCH 2019

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 Trustees of WSET resigned on 23rd June and were immediately appointed as Directors of the corporate trustee WSET Trustee Ltd.

The directors of WSET Trustee Ltd are:

Trevor Phillips (Chair) (appointed 18 October 2018)

David Aaronovitch

Elaine Potter

David McCune (resigned 6 June 2019)

David Schlesinger

Turi Munthe (resigned 18 March 2019)

Kate Maltby

Sanjay Nazerali

Kiri Kankhwende

Jason DaPonte (resigned 6 August 2018)

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

The principal address and contact details

Autograph Building

1 Rivington Place

London

EC2A 3BA

Telephone: 0203 848 9820

E-Mail: jodie@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 2019 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 2019 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 LLP

Haysmacintyre LLP
Statutory Auditor

19th September 2019

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 2019

	Notes	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	Total Funds 2018 £
INCOME FROM:					
Donations & legacies	2	574,025	-	574,025	545,671
Charitable activities					
Publishing fees & royalties	3	104,627	-	104,627	102,201
Other income from charitable activities	3	19,764	126,417	146,181	256,423
Other trading activities					
Events income	3	74,519	-	74,519	123,708
Investments		46	-	46	26
TOTAL INCOME		<u>772,981</u>	<u>126,417</u>	<u>899,398</u>	<u>1,028,029</u>
EXPENDITURE ON:					
Raising funds					
Donations and legacies	4	222,349	-	222,349	256,915
Fundraising activities	4	31,121	-	31,121	82,860
Charitable activities	4	530,927	129,267	660,194	713,895
TOTAL EXPENDITURE		<u>784,397</u>	<u>129,267</u>	<u>913,664</u>	<u>1,053,670</u>
NET INCOME/(EXPENDITURE) NET MOVEMENT IN FUNDS		(11,416)	(2,850)	(14,266)	(25,641)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>57,269</u>	<u>2,850</u>	<u>60,119</u>	<u>85,760</u>
TOTAL FUNDS CARRIED FORWARD		<u>£45,853</u>	<u>£ -</u>	<u>£45,853</u>	<u>£60,119</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 2019

		Group		Charity	
	Notes	2019 £	2018 £	2019 £	2018 £
FIXED ASSETS					
Tangible assets	7	<u>12,105</u>	<u>11,498</u>	<u>-</u>	<u>105</u>
CURRENT ASSETS					
Debtors	8	182,116	70,508	123,476	41,009
Cash at bank and in hand		<u>5,419</u>	<u>181,656</u>	<u>3,685</u>	<u>134,954</u>
		187,535	252,164	127,161	175,963
CREDITORS: Amounts falling due within one year	9	<u>(153,787)</u>	<u>(203,543)</u>	<u>(83,065)</u>	<u>(100,009)</u>
Net current assets		<u>33,748</u>	<u>48,621</u>	<u>44,096</u>	<u>75,954</u>
NET ASSETS		<u>£45,853</u>	<u>£60,119</u>	<u>£44,096</u>	<u>£76,059</u>
FUNDS					
Unrestricted income funds	10	45,853	57,269	44,096	73,209
Restricted income funds	11	-	2,850	-	2,850
TOTAL FUNDS		<u>£45,853</u>	<u>£60,119</u>	<u>44,096</u>	<u>£76,059</u>

The accounts were approved by the Trustees and authorised for issue on behalf by:

2019 and signed on their

Trevor Phillips
Chair

WRITERS & SCHOLARS EDUCATIONAL TRUST
STATEMENT OF CONSOLIDATED CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2019

	2019 £	2018 £
Cash flows from operating activities:		
Net cash (used in)/provided by operating activities (see below)	(171,509)	42,591
Cash flows from investing activities:		
Purchase of fixed assets	(4,728)	(3,695)
Net cash (used in) investing activities	(4,728)	(3,695)
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	(176,237)	38,896
Cash and cash equivalents at the beginning of the year	181,656	142,760
Cash and cash equivalents at the end of the year	£5,419	£181,656

RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2019 £	2018 £
Net (expenditure) for the reporting year (as per the statement of financial activities)	(14,266)	(25,641)
Adjustments for:		
Loss on disposal of fixed assets	-	3,257
Depreciation	4,121	3,717
(Increase)/decrease in debtors	(111,608)	107,341
(Decrease) in creditors	(49,756)	(46,083)
Net cash (used in)/provided by operating activities	£(171,509)	£42,591

WRITERS & SCHOLARS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2019

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 2019, 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 2019 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 2019

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 2019

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. Basis financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2. DONATIONS & LEGACIES

	2019 £	2018 £
Donations	156,092	126,689
Grants:		
David & Elaine Potter Foundation	40,000	40,000
Fritt Ord	40,748	42,610
Michael Bishop Foundation	-	40,000
British Council	-	12,500
Arts Council England	53,122	48,122
Charles Koch Foundation (via Friends of Index)	29,893	-
Other grants	48,114	75,588
Grants received by Writers & Scholars International Limited	206,056	203,792
Grant repayable (see below)	-	(43,630)
	<u>£574,025</u>	<u>£545,671</u>

WRITERS & SCHOLARS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2019

3. 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 Euirope	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>

CHARITABLE ACTIVITIES - 2018

	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 - 2019

	Direct Costs £	Support Costs £	Total 2019 £	Total 2018 £
Charitable activities:				
Publications	130,580	135,863	266,443	225,514
Projects	276,138	117,437	393,575	488,381
	<u>406,718</u>	<u>253,300</u>	<u>660,018</u>	<u>713,895</u>
Raising funds – donations and legacies	85,399	137,126	222,525	256,915
- fundraising activities	31,121	-	31,121	82,860
TOTAL	<u>£523,238</u>	<u>£390,426</u>	<u>£913,664</u>	<u>£1,053,670</u>

ANALYSIS OF EXPENDITURE - 2018

	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>

WRITERS & SCHOLARS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2019

SUPPORT COSTS CONSIST OF:

	2019	2018
	£	£
Staff costs	256,976	256,337
Premises	47,896	49,798
Office and administration	38,330	32,590
Professional and consultancy	17,413	16,744
Currency exchange differences	1,808	2,424
Irrecoverable VAT	9,814	5,673
Depreciation	4,121	4,674
Governance (see note 5)	14,068	13,537
	<u>£390,426</u>	<u>£381,777</u>

5. GOVERNANCE COSTS

	2019	2018
	£	£
Auditor's remuneration	10,700	10,320
Other fees	3,201	3,000
Meeting expenses	167	217
	<u>£14,068</u>	<u>£13,537</u>

Other fees payable to the auditors amounted to £2,100 (2018: £2,050)

No trustees received any remuneration (2018: £nil) and no trustees were reimbursed for travel costs (2018: £nil).

6. EMPLOYEES

	2019	2018
	£	£
Group staff costs were as follows:		
Wages and salaries	457,424	421,415
National insurance contributions	34,098	43,539
Pension contributions	8,155	7,094
Contract staff	-	540
	<u>£499,677</u>	<u>£472,588</u>

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

	No.	No.
Charitable activities	11	10
Management and support	3	3
	<u>14</u>	<u>13</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 £274,851 (2018 -£256,574).

WRITERS & SCHOLARS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2019

7. FIXED ASSETS

Group	Fixtures and Fittings £	Computers £	Total £
Cost			
At 1 April 2018	10,335	17,734	28,069
Additions	285	4,443	4,728
Disposals	(1,820)	(3,267)	(5,087)
At 31 March 2019	8,800	18,910	27,710
Depreciation			
At 1 April 2018	3,128	13,443	16,571
Charge for the year	1,106	3,015	4,121
Disposals	(2,134)	(2,953)	(5,087)
At 31 March 2019	2,100	13,505	15,605
Net Book Value			
At 31 March 2019	£6,700	£5,405	£12,105
At 31 March 2018	£7,207	£4,291	£11,498
Charity			
Cost			
At 1 April 2018		193	193
Disposals		(193)	(193)
At 31 March 2019		-	-
Depreciation			
At 1 April 2018		88	88
Charge for the year		(88)	(88)
At 31 March 2019		-	-
Net Book Value			
At 31 March 2019		-	-
At 31 March 2018		£105	£105

8. DEBTORS

	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
Trade debtors	62,757	20,848	55,057	20,000
Prepayments	18,448	13,053	11,055	7,036
Accrued income	84,548	33,505	41,001	9,000
Other debtors	16,363	3,102	16,363	2,826
Due from Writers and Scholars Int'l Ltd	-	-	-	2,147
	£182,116	£70,508	£123,476	£41,009

WRITERS & SCHOLARS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2019

9. CREDITORS: amounts falling due within one year	Group		Charity	
	2019 £	2018 £	2019 £	2018 £
Bank overdraft	42,312	-	-	-
Trade creditors	14,127	649	4,322	434
Other creditors	-	43,630	-	-
Taxation and social security	15,676	10,665	10,651	10,665
Accruals	32,743	48,301	20,733	36,116
Deferred income	48,929	100,298	-	52,794
Due to Writers and Scholars International Ltd	-	-	47,359	-
	<u>£153,787</u>	<u>£203,543</u>	<u>£83,065</u>	<u>£100,009</u>

10. 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)
Balance carried forward	<u>£44,101</u>	<u>£1,752</u>	<u>£45,853</u>

UNRESTRICTED INCOME FUNDS – GROUP - 2018	WSET £	WSIL £	TOTAL £
Balance brought forward	11,471	26,289	37,760
Net income	61,477	(41,968)	19,509
Balance carried forward	<u>£72,948</u>	<u>(£15,679)</u>	<u>£57,269</u>

11. 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)	-
Total	<u>£2,850</u>	<u>£126,417</u>	<u>(£129,267)</u>	<u>£ -</u>

RESTRICTED FUNDS - 2018	Balance at 1 April 2018 £	Income £	Expenditure £	Balance at 31 March 2019 £
British Council	-	126,417	(126,417)	(2,850)
Arts Council England	2,850	-	(2,850)	-
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 2019****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, 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.

	2019	2018
	£	£
PROFIT AND LOSS ACCOUNT		
Turnover	379,556	266,868
Cost of sales	(299,729)	(253,902)
	<hr/>	<hr/>
Gross profit	79,827	12,966
Overhead expenditure	(62,392)	(54,934)
	<hr/>	<hr/>
Operating profit/(loss)	17,435	(41,968)
Interest receivable	-	-
	<hr/>	<hr/>
Profit/(Loss) for the financial year	<u>£17,435</u>	<u>(£41,968)</u>
	<hr/>	<hr/>
BALANCE SHEET		
Fixed assets	12,105	11,654
	<hr/>	<hr/>
Current assets	107,732	78,348
Creditors falling due within one year	(118,081)	(105,681)
	<hr/>	<hr/>
Net current (liabilities)/assets	(10,349)	(27,333)
	<hr/>	<hr/>
Capital and reserves	<u>£1,756</u>	<u>(£15,679)</u>
	<hr/>	<hr/>

Transactions

During the year expenditure of £32,981. (2018: £33,162) was recharged to Writers & Scholars International Limited by Writers & Scholars Educational Trust. At the balance sheet date the amount due to Writers & Scholars International Limited was £47,359 (2018: due to Writers & Scholars International Limited £2,147).

13. RELATED PARTY TRANSACTIONS

The David and Elaine Potter Foundation made a grant of £40,000 (2018: £40,000) in the year, with £nil (2018: £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, the existing publisher of *Index on Censorship*, is a trustee - of the charity. He also donated a sum of 103,445 (2018 - £100,000) to the charity in the year.

WRITERS & SCHOLARS EDUCATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2019

14. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES - 2018

	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £
INCOME FROM:			
Donations & legacies	533,171	12,500	545,671
Charitable activities			
Publishing fees & royalties	102,201	-	102,201
Other income from charitable activities	15,885	240,538	256,423
Other trading activities			
Events income	123,708	-	123,708
Investments	26	-	26
TOTAL INCOME	<u>774,991</u>	<u>253,038</u>	<u>1,028,029</u>
EXPENDITURE ON:			
Raising funds			
Donations and legacies	256,915	-	256,915
Fundraising activities	82,860	-	82,860
Charitable activities	415,707	298,188	713,895
TOTAL EXPENDITURE	<u>755,482</u>	<u>298,188</u>	<u>1,053,670</u>
NET INCOME/(EXPENDITURE) NET MOVEMENT IN FUNDS	19,509	(45,150)	(25,641)
RECONCILIATION OF FUNDS			
Total funds brought forward	37,760	48,000	85,760
TOTAL FUNDS CARRIED FORWARD	<u>£57,269</u>	<u>£2,850</u>	<u>£60,119</u>

15. FINANCIAL INSTRUMENTS

	2019 £	2018 £
Financial assets measured at amortised cost	<u>79,120</u>	<u>23,950</u>
Financial liabilities measured at amortised cost	<u>14,127</u>	<u>649</u>

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

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