

Company Registration No. 05581685

Charity Number 1114502

International Senior Lawyers Project - UK
(A charitable company limited by guarantee)

Unaudited Report and Financial Statements

Year ended 31 December 2016

International Senior Lawyers Project - UK

Report and financial statements 2016

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International Senior Lawyers Project - UK

Reference and administrative details

Trustees (and Directors)

G S Davies (Chairman)
J C Bell
C N Cheffings
R Gordon QC (resigned 27 April 2017)
A Inglese
J Ludlam
P Murray
T Ogowewo
T J Soutar
R Tapp
C F Woolf (resigned 20 July 2017)

Members

G S Davies (Chairman, Class A member)
J Bell (Class A member)
L Reed (Class A member) (resigned 25th July 2016)
G Meintjes (Class A member) (resigned 17th March, 2016)
T J Soutar (Class A member)
Craig White (Class A member) (from 2nd March 2016)

Executive Director (non-Trustees company director) and CEO

S Hazledine

Secretary

Sisec Limited

Registered Office

Development House
56-64 Leonard Street
London EC2A 4LT

Company Number

05581685

Charity Number

1114502

Bankers

Barclays
1 Churchill Place
London E15 5HP

Independent Examiner

Deloitte LLP
Independent examiner
2 New Street Square
London, EC4A 3BZ
United Kingdom

International Senior Lawyers Project - UK

Trustees' report (including Directors' Report) for the year ended 31 December 2016

The Trustees, who are also Directors, present their report along with the financial statements of the International Senior Lawyers Project ("ISLP-UK" or the "Charity") for the year ended 31 December 2016. The financial statements have been prepared in accordance with the accounting policies set out on page 12 and comply with the current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice: Accounting and Reporting by Charities 2015.

This report has been prepared in accordance with the provisions applicable to companies' subject to the small companies' regime. Accordingly, the trustees have elected to take advantage of the exemption from preparing a strategic report.

Accounting reference date

The accounting reference date is 31 December.

Structure, governance and management

The Charity is a private company limited by guarantee incorporated on 3 October 2005 and is a registered charity (registered on 2 June 2006, registration number 1114502). The company is limited by guarantee, and the members are named above.

Since 7 March 2011 the Charity has been controlled by International Senior Lawyers Project (ISLP). ISLP exercises its influence through its control of the composition of the Class A members and the Trustees of the Charity. ISLP is a US-based not-for-profit organisation.

The name of the Charity was previously International Lawyers Project and on 19 May 2011 the name was changed to International Senior Lawyers Project-UK (ISLP-UK). ISLP-UK is considered to be an affiliate of ISLP and is included in the consolidated financial statements prepared by ISLP.

The Trustees met periodically during the year, to review the Charity's strategy and areas of activity, including consideration of progress on projects and finances. The day-to-day administration and financial management is delegated to the Executive Director.

Members are any individual or organisation who satisfies Article 6 of Association and Class A members are a maximum of 5 members who have special voting powers as it is the Class A members who decide by majority whether to appoint or remove a director.

The power to appoint new Trustees rests with the Class A members. On appointment, the decision-making process is explained to the new Trustees by the Director and one of the existing Trustees who also provide an overview of the administrative procedures employed by the Charity. This entails an overview of previous accounts, a review of board minutes and a discussion about key priorities. The trustee is also encouraged to meet with the whole team.

International Senior Lawyers Project - UK

Trustees' report (including Directors' Report) for the year ended 31 December 2016

Trustees

The Trustees of the charitable company during the year and at the date of signing were:

G S Davies	(Chairman)
J C Bell	
C N Cheffings	
R Gordon QC	(resigned 27 April 2017)
A Inglese	(appointed 20 July 2016)
J Ludlam	
P Murray	
T Ogowewo	
T J Soutar	
R Tapp	
C F Woolf	(resigned 20 July 2017)

Objectives and activities

The principal activities of the Charity are set out in the Memorandum and Articles of Association.

The Charity's principal objective is to foster just and accountable development, which is sustainable, supportive of human rights, and strengthens the rule of law, by mobilising its unique network of highly skilled and experienced pro bono lawyers to advise civil society and governments. ISLP-UK assists governments, non-governmental organisations and other institutions working to build legal capacity and to advance the rights and wellbeing of all. ISLP-UK volunteers include full-time practising, semi-retired and retired lawyers who bring a diversity of perspectives and linguistic skills to the legal assistance they provide on ISLP-UK projects, and come from a wide range of practice backgrounds.

ISLP-UK was established when the UK-based International Lawyers Project became part of the ISLP group, controlled by US-based ISLP, on 7 March 2011.

Achievements and performance for the public benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

During the year, ISLP-UK was involved in developing and executing a variety of projects to advance its purposes utilising its volunteers. In 2016 the Charity implemented the conclusions of the strategic review of its mission and goals which it had undertaken in 2015 and which had concluded that it would focus in greater depth on 6 core areas. These were selected because they particularly drew upon the Charity's expertise, were likely to have the most significant impact on development issues and built upon a demonstrated track-record or strong initial indicators of future success. As identified below, the vast majority of projects undertaken in 2016, fell within these categories:

- **Anti-corruption and bribery:** providing capacity building, mentoring, peer exchange, and legislative reform support to Malawian police prosecutors and judges working on corruption cases; supporting judicial independence and rule of law by providing advice on international and comparative law to assist judges in Botswana accused of corruption and suspended from office; advising on the ability for an NGO to participate in English criminal proceedings including whether it could claim damages on behalf of Hungarian citizens who suffered as a result of a disadvantageous contract entered into in allegedly corrupt circumstances losses; advising on international transparency obligations in oil and gas contracts in Qatar; training government lawyers on ethics and professional negligence in Rwanda following the introduction of new legislation; advising NGOs on proposed changes to an EU regulation on money laundering with potential new transparency obligations with respect to beneficial ownership of trusts; advising on beneficial ownership of shares in British Overseas Territories which might be utilised to facilitate the storing or transfer of proceeds

International Senior Lawyers Project - UK

Trustees' report (including Directors' Report) for the year ended 31 December 2016

of crime or corruption; organising judicial trainings at the Albanian Magistrates' School on internet law, internet crime and security, criminal tax evasion; advising a multi-stakeholder commission tackling corruption in Madagascar with a particular focus on judicial integrity.

- **Natural resources:** assisting with re-negotiation of the royalties and other provisions of two iron ore concession agreements; building capacity by mentoring a number of women lawyers based in Africa by teaming them for a year with in-house lawyers with expertise in oil and gas; providing a scholarship for a Tanzanian lawyer to study an MA in oil and gas at Nottingham University.
- **Civil Society Space:** in collaboration with the European Center for Constitutional and Human Rights, preparing defamation guides and advising on access to information, conducting a pre-publication review of a case report concerning activities of a major French company in ISIL-controlled area of Syria; comparative research in 8 jurisdictions to help develop a strategy with NGOs to promote the rights of older people, especially on laws against violence and abuse in older age; advising on EU freedom of information law and practice in relation to efforts to investigate the role of European Agencies such as Frontex in Europe's migration crisis; delivering international and German law freedom of expression workshops to an NGO potentially at legal risk for its publications implicating corporate wrongdoing; drafting country-specific defamation guidance notes (India and Switzerland) for an NGO working on corporate accountability in developing countries; providing media freedom support in Ukraine and Russia, including training for Eurasian media lawyers and NGOs and assisting in drafting an application and an article relating to freedom of expression; supporting human rights defenders at risk of reprisals or harassment and upholding international fair trial standards by conducting an independent trial observation of part of a murder trial in Colombia and meetings with Colombian public authorities to seek proper investigation into harassment: assisting a Czech Republic-based news outlet with legal aspects of freedom of expression and related issues to assist in countries where there are limitations on press freedom; conducting a pre-publication libel review of a report on mining governance in the DRC; continuing to advise the Director of an NGO client against libel accusations brought against her in Mauritius by prominent businesspeople who were implicated in the NGO's report exposing an illegal arms trafficking ring; advising Albanian judiciary on freedom of expression and information and advising media outlets in Albania on similar laws.
- **Investment, Trade and Tax:** providing initial advice on potential areas of reform to the Myanmar tax code; and discussions on input into the new Myanmar investment law; preparing for a trade and investment law training for the Tajik Ministry of Justice: developing a transfer pricing risk assessment tool for the mining sector in Africa which is intended to guide the evaluation of risk by African revenue authorities to help them protect their tax bases; reviewing and advising an international NGO on a double tax treaty report; promoting and highlighting a selection of priority tax initiatives that African countries or regional or continent-wide groups could take to increase revenues; assisting the Liberian Ministry of Finance with a potential Advance Pricing Agreement relating to a Liberian iron ore concession; advising on tax law and policy relating to several important cross border transactions involving significant transaction in key sectors of an African country's economy, including issues relating to offshore stock sales and related withholding tax issues.
- **Economic and Social Development:** assisting the next generation of Tanzania's lawyers, including magistrates, by enhancing the training skills of law tutors at the Law School of Tanzania; strengthening the capacity of Albanian judges, advocates and law students in areas of expertise critical to Albania's EU accession programme, including competition law, taxation and intellectual property; providing introductory and advanced courses in commercial law in Bulawayo and Harare in Zimbabwe and in Cape Town and Johannesburg in South Africa.

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- **Community-Inclusive Development:** advising on litigation strategies to address the harmful effects of the use of particular pesticides in developing countries, including the effect of a prospective corporate takeover of the manufacturer of those pesticides.

The Charity also undertook a number of projects that helped to protect human rights and access to justice projects (for example by providing assistance to the Law Development Centre in Uganda in setting up a legal aid clinic aimed at increasing access to justice for the less fortunate and fostering a positive pro bono attitude amongst future solicitors; or better preparedness for nuclear disaster by analysing the legislation enabling a rapid response to such disasters both by government and civil society in 19 countries).

By implementing these projects, the Charity met its strategic focus of just and accountable development

- advancing economic development that is inclusive, supportive of human rights and the rule of law;
- stimulating investment, enabling trade and helping countries increase their domestic revenue through fair taxation as a means of spreading benefits and opportunities across society;
- encouraging open and transparent institutions and strengthening responsible government, be that in assisting natural resource development or working with institutions, such as anti-corruption bodies or the judiciary, to advance justice;
- encouraging greater responsibility from governments and corporations through a free press and support to NGOs exposing wrongdoing; and
- empowering vulnerable communities by continuing to widen access to justice and rule of law, such as by enhancing the quality and breadth of training available to local lawyers.

As an organisation that responds to the needs of its beneficiaries, ISLP-UK still maintains capacity to respond to urgent or critical needs and to develop solutions with our clients though increasingly the Charity focuses on a more proactive approach to project planning, focussing on preventative rather than corrective approaches.

The Charity used a variety of professional support, legal research, education, mentoring and training to deliver these projects. It has also worked alongside and deepened relationships with local partners who bring specialised knowledge, established networks and field resources to deliver an effective project.

The Charity also participated in the sharing of international pro bono expertise by supporting the development and implementation of ROLE UK, a new Rule of Law Expertise Programme funded by DFID that works to strengthen the rule of law in developing countries through supporting the provision of pro bono legal and judicial expertise. The Charity has a place on the board.

ISLP-UK continued to receive unrestricted funding support from a number of leading law firms and from its affiliate ISLP. ISLP-UK thanks the members of the Society of Trust and Estate Practitioners Private Client Awards who selected the Charity as its charity of the year. Funds from the Bertha Foundation were obtained to continue to fund a fellowship in human rights and to advance a number of projects with Bertha partner organisations.

ISLP-UK collaborated with ISLP on a number of projects throughout the year, identifying volunteers and developing relationships with clients.

The projects undertaken represented an increased impact; in a number of countries there were several in-country visits which increased the knowledge of needs on the ground and increased the effectiveness of interventions made, when compared with projects undertaken in 2015.

The year was not without challenges. The Charity's Director took on responsibility as acting Executive Director for ISLP in the States from the end of 2015 until May 2016; embedding the new strategy and deepening co-ordination between staff at ISLP-UK and ISLP also took time. Changing requirements from some funders required delivery of projects in shorter timescales than anticipated which impacted project development and delivery. There were the usual challenges of working with under-resourced clients and government clients who frequently face political pressures that

International Senior Lawyers Project - UK

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impair completion of projects. These and other aspects of the projects that are outside the exclusive control of the Charity affect the impact of projects.

Financial review

Income for the year from donations and investments was £223,610 (2015: £241,717) Expenditure was £214,828 (2015: £139,507). This was spent on charitable activities, cost of raising funds, and administration costs of the Charity. Further details can be found in the statement of financial activities on page 9.

Reserves

The Trustees reviewed the Charity's reserves policy in light of Charity Commission guidance.

The policy on reserves is to hold an amount to meet on-going liabilities given that funding may come at any time of the year. The Trustees have resolved to apply a reserves policy amounting to at least three months of anticipated expenditure; the amount held varied throughout the year but at year end unrestricted funds amounted to £189,746 with unrestricted expenditure of £108,435. It is proposed to apply up to £40,000 of these reserves to charitable activities in 2017. The successes in fundraising particularly in 2015 placed the Charity on a much more secure financial footing such that it is largely self-financing though it continues to enjoy ongoing financial support and assistance from ISLP reflecting the close collaboration on joint projects and our shared goals and mission.

Future plans

In the future, the Charity will continue to focus on its strategic objectives to deliver projects that enhance legal capacity for inclusive economic growth, reduce corruption, provide greater freedom of expression, deliver stronger and more progressive legal systems and institutions and greater empowerment for development-impacted communities. These should benefit a very wide ranging number and type of beneficiaries but particularly should assist those at greatest risk from irresponsible development and help boost the economy of developing countries in just and accountable ways. Its internal strategic priorities are to have an engaged, enabled and effective staff and trustees. In line with 2015 objectives, the Trustees looked to broaden the experience base of the Trustee body in 2016 and have now included government experience; in 2017 it is intended to expand the experience base of trustees further. The Charity has diversified its funding base with restricted project funding and intends to diversify further. It will deliver focused and proactive projects utilising strong, credible networks. Enablers to achieve these strategic priorities include enhanced differentiation and improved communication. The Charity will utilise cross team collaborations to achieve the administrative efficiencies and greater knowledge exchange to build on the much greater integration of programmes across the Charity and ISLP in the States.

Risk management

The Trustees are aware of their responsibility to identify, consider and manage material financial and non-financial risk facing the charitable company. They have considered and put into place systems and procedures to manage such risks and are continuing to develop the Charity's risk management strategy and procedures.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. This is achieved by:

- regular consideration of financial results, variances from budgets, and non-financial performance indicators;
- delegation of authority and segregation of duties; and
- identification and management of risks including through the development of a risk register.

As well as the financial control systems, the Trustees continually review and monitor the activities of the Charity throughout the year.

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Principal risks identified relate primarily to operational risks, such as safety of volunteers sent to developing world countries and funding challenges. The former is addressed through careful review of those countries in which work is physically undertaken, advice to volunteers and support when in country. In relation to funding risks, the diversification of funding evident in restricted projects provides a solid base for 2017.

Volunteers

Our experts are drawn from thousands of lawyers - both individuals and from law firms - who provide their time for free; in 2016 ISLP-UK used over 200 (2015: over 150) different individuals in its projects, many of whom delivered assistance on the ground in developing and transitional economies. It is difficult to place a monetary value on their contribution and the charity could not pay for their services but if their time was charged out at the rates the experts charge for similar work, it would equate to several million pounds' worth of assistance.

Going concern

The Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future (and certainly for more than 12 months from the date of signing). Thus they have adopted the going concern basis in preparing the financial statements.

Statement of Trustees' responsibilities

The Trustees (who are also directors of International Senior Lawyers' Project-UK for the purposes of company law) are responsible for preparing the Annual Report and the financial statements of the Charity in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the Trustees (who are Directors of the Charity) to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing these 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 UK Accounting Standards have been followed; and
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board



G S Davies

Trustee and Chairman

Date: 15th August 2017

Independent examiner's report on the unaudited accounts to the members of International Senior Lawyers Project - UK

I report on the accounts of the charitable company for the year ended 31 December 2016, comprising the statement of financial activities, the balance sheet, the statement of cashflows and the related notes 1 to 13.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for my work, for this report, or for the opinions I have formed.

Respective Responsibilities of Trustees and Examiner

The Trustees (who are also the Directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The Trustees consider that an audit is not required for this year under Section 144(1) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charitable company is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- (1) examine the accounts under Section 145 of the 2011 Act;
- (2) follow the procedures laid down in the General Directions given by the Charity Commission under Section 145(5)(b) of the 2011 Act; and
- (3) state whether particular matters have come to my attention.

My report is made solely to you as Trustees pursuant to the Charities Act 2011. My examination has been undertaken so that I might state to the Trustees those matters I am required to state in this report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Trustees for my examination, for my report, or for the statement I have made.

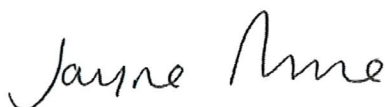
Basis of Independent Examiner's Report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Jayne Rowe FCCA
for and on behalf of Deloitte LLP
Reporting Accountants
London, United Kingdom

Date: 16/08/17

International Senior Lawyers Project - UK

Statement of financial activities (Incorporating the income and expenditure account) for the year ended 31 December 2016

	Notes	Unrestricted funds 2016 £	Restricted funds 2016 £	Total 2016 £	Unrestricted funds 2015 £	Restricted funds 2015 £	Total 2015 £
Income							
Income and Endowments from:							
- Donations and legacies	3	157,409	66,124	223,533	159,839	81,803	241,642
- Investment income and interest		-	77	77	-	75	75
Total income		<u>157,409</u>	<u>66,201</u>	<u>223,610</u>	<u>159,839</u>	<u>81,878</u>	<u>241,717</u>
Expenditure							
Cost of raising funds	4	(22,788)	-	(22,788)	(21,660)	-	(21,660)
Expenditure on charitable activities	5&11	(85,647)	(106,393)	(192,040)	(76,699)	(41,148)	(117,847)
Total expenditure		<u>(108,435)</u>	<u>(106,393)</u>	<u>(214,828)</u>	<u>(98,359)</u>	<u>(41,148)</u>	<u>(139,507)</u>
Net income / (expenditure) for the year							
		48,974	(40,192)	8,782	61,480	40,730	102,210
Funds brought forward		<u>140,772</u>	<u>49,726</u>	<u>190,498</u>	<u>79,292</u>	<u>8,996</u>	<u>88,288</u>
Funds carried forward	11	<u>189,746</u>	<u>9,534</u>	<u>199,280</u>	<u>140,772</u>	<u>49,726</u>	<u>190,498</u>

All amounts relate to continuing activities and there has been no change in the nature of the Charity's activities in the year.

All recognised gains and losses are included in the statement of financial activities.

The notes on page 12 to 19 form part of these financial statements.

International Senior Lawyers Project - UK

Balance Sheet

As at 31 December 2016

	Notes	2016 £	2015 £
Fixed assets			
Tangible assets	8	3,109	557
Current assets			
Other debtors	9	56,878	648
Cash at bank and in hand		149,579	193,923
		<u>206,456</u>	<u>194,571</u>
Creditors: amounts falling due within one year	10	<u>(10,285)</u>	<u>(4,630)</u>
Net current assets		<u>196,171</u>	<u>189,941</u>
Total assets less current liabilities		<u>199,280</u>	<u>190,498</u>
Represented by:			
Unrestricted funds		189,746	140,772
Restricted funds	11	9,534	49,726
		<u>199,280</u>	<u>190,498</u>

For the year ended 31 December 2016 the Charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The financial statements have been prepared in accordance with the provisions applicable to companies' subject to the small companies' regime.

The members have not required the Charity to obtain an audit of its financial statements for the period in question in accordance with section 476.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

Signed on behalf of the Board of Trustees by and authorised for issue on

15th Aug 2017



G S Davies

Trustee and Chairman

Registered Number 05581685

The notes on pages 12 to 19 form part of these financial statements

International Senior Lawyers Project - UK

Statement of cash flows for the year ended 31 December 2016

	2016 £	2015 £
Surplus from operating activities	8,782	102,210
Depreciation	744	21
Interest receivable	(77)	(75)
(Increase) in receivables	(56,229)	(120)
Increase/(decrease) in payables	5,655	1,604
	<hr/>	<hr/>
Net cash generated from operating activities	(41,125)	103,640
	<hr/>	<hr/>
Investing activities		
Interest received	77	75
Purchase of fixed assets	(3,296)	(578)
	<hr/>	<hr/>
Net cash inflow and increase in cash	(44,344)	103,137
	<hr/>	<hr/>
Cash and cash equivalents at beginning of year	193,923	90,786
	<hr/>	<hr/>
Cash and cash equivalents at end of year	149,579	193,923
	<hr/>	<hr/>
Components of cash and cash equivalents		
Cash	149,579	193,923
Cash equivalents	-	-
	<hr/>	<hr/>
	149,579	193,923
	<hr/>	<hr/>

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Notes forming part of the financial statements for the year ended 31 December 2016

1. Accounting policies

Basis of accounting

These financial statements have been prepared under the historical cost convention, and in accordance with applicable United Kingdom accounting standards and in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2015) and the Companies Act 2006.

The functional currency of ISLP-UK is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates.

ISLP-UK constitutes a public benefit entity as defined by FRS102.

Going concern

These accounts are prepared on the going concern basis. The Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

Income

Donations including donations, gifts and legacies are recognised where there is entitlement, the amount can be measured with sufficient reliability, and receipt is probable.

All income is accounted for on an accruals basis. Accrued income represents money owed for projects undertaken and/or expenditure already incurred in 2016, specifically relating to projects in Albania, Cuba, Liberia, Madagascar and Tajikistan.

Expenditure

Expenditure is accounted for on an accruals basis.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The Trustees currently have no designated funds.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes.

Costs of raising funds

The costs of raising funds consist of fundraising costs relating to the Director's time (and that of fellow employees).

Allocation of overhead and support costs

Overhead and support costs have been allocated entirely to charitable activities. The allocation of overhead and support costs is analysed in note 5.

Governance costs comprise all costs involving public accountability of the charitable company and its compliance with regulation and good practice, and are included within support costs.

Fixed Assets

Furniture is depreciated straight line over 10 years. Computer and electronic equipment are depreciated straight line over 5 years.

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Notes forming part of the financial statements (continued) for the year ended 31 December 2016

1. Accounting policies (continued)

Company status

The Charity is a company limited by guarantee. The members of the company are the Members named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

Statement of cash flows

Following the implementation of FRS102, a statement of cash flows has been incorporated within the financial statements of ISLP-UK for the year ended 31 December 2016 on page 11.

Financial instruments

Financial assets and financial liabilities are recognised when the Charity becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when and only when (a) the contractual right to the cash flows from the financial asset expire or are settled, (b) the Charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or (c) the Charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions and are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Critical accounting judgements and key sources of estimation uncertainty

There are no critical accounting judgments or key sources of estimation uncertainty at the reporting date.

Pensions

ISLP-UK operates a defined contribution scheme.

2. Staff costs

The Trustees did not receive any emoluments or reimbursed expenses from the Charity.

Remuneration of £38,500 (2015: £36,000) was paid to the Director (not a Trustee), who is considered to be the key management personnel of the charitable company (the increase reflecting a bonus given for performance in 2016 and that there had been no payrise in previous 3 years). The original remuneration was set after a benchmarking process.

No employees in the current and prior periods had emoluments in excess of £60,000.

	2016 £	2015 £
Wages and salaries	109,377	95,468
Social security costs	8,355	9,270
Pension costs	5,146	1,357
	<u>122,878</u>	<u>106,095</u>

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Notes forming part of the financial statements (continued) for the year ended 31 December 2016

2. Staff costs (continued)

The average number of people employed by the Charity during the year (FTE) was:

	2016 No.	2015 No.
Executive Director	0.8	1
Programme Director	2	1
Communications and Operations Officer	0.3	1
	<u>3.1</u>	<u>3</u>

3. Donations

	2016 £	2015 £
Unrestricted funds		
Voluntary donations	157,409	159,839
Restricted funds:		
Voluntary donations	<u>66,124</u>	<u>81,803</u>
	<u>223,533</u>	<u>241,642</u>

4. Cost of raising funds

	2016 £	2015 £
Fundraising costs (20% of Director's costs, 15% of Programme Directors and 20% of Communications and Operations Officer for 6 months and £1,207 (2015: £6,329) expenses)	<u>22,788</u>	<u>21,660</u>

International Senior Lawyers Project - UK

Notes forming part of the financial statements (continued) for the year ended 31 December 2016

5. Expenditure

	Direct costs £	Support costs £	Total 2016 £	Total 2015 £
Charitable activities:				
Albania	15,382	20,893	36,275	-
Bertha projects	4,499	10,392	14,891	34,102
CLTP	_*	9,313	9,313	-
Cuba	958	-	958	-
Liberia	6308	5,692	12,000	-
Madagascar	5,786	10,974	16,760	-
Myanmar	1,590	3,677	5,267	-
NEPAD	_***	8,461	8,461	-
Tajikistan	1,496	5,391	6,887	-
Tanzanian Scholarship	23,474	2,325	25,799	7,258
Tanzanian Law School	2,524	1,468	3,992	-
Other charitable activities	347	51,090	51,437	76,487
	<u>62,364</u>	<u>129,676</u>	<u>192,040</u>	<u>117,847</u>

Total expenditure is shown overleaf.

*Paid direct by ISLP and accounted for in its accounts so not included here.

** Paid direct by NEPAD so does not form part of the Charity's expenditure on charitable activities.

International Senior Lawyers Project - UK

Notes forming part of the financial statements (continued) for the year ended 31 December 2016

5. Expenditure (continued)

	Direct costs £	Support costs £	Total 2016 £	Total 2015 As restated £
Staff costs	-	122,878	122,878	106,095
Travel, accommodation and expenses	62,364	3,465	65,830	19,911
Other costs	1,207	24,914	26,121	13,501
	63,571	28,379	91,950	33,412
	63,571	151,257	214,828	139,507
Shown as:				
Cost of raising funds – note 4	1,207	21,581	22,788	21,660
Charitable activities – note 5	62,364	129,676	192,040	117,847
	63,571	151,257	214,828	139,507

One figure (£13,501) shown in 2015 expenditure has been restated as fundraising costs in 2015 were shown as expenses rather than other costs.

6. Governance costs (included within support costs)

	2016 £	2015 £
Independent Examiner's fees	250	250

7. Taxation

The company is a charity within the meaning of Paragraph 1 Schedule 6 Finance Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

International Senior Lawyers Project - UK

Notes forming part of the financial statements (continued) for the year ended 31 December 2016

8. Tangible assets

	Office equipment £
At 1 January 2016	578
Additions	3,296
	<hr/>
At 31 December 2016	3,874
	<hr/> <hr/>
Depreciation	
At 1 January 2016	21
Provided for the year	744
	<hr/>
At 31 December 2016	765
	<hr/> <hr/>
Net book value at 31 December 2016	3,109
	<hr/> <hr/>
Net book value at 31 December 2015	557
	<hr/> <hr/>

9. Other debtors

	2016 £	2015 £
Other debtors	40,348	250
Prepayments	772	398
Accrued revenue	15,758	-
	<hr/>	<hr/>
	56,878	648
	<hr/> <hr/>	<hr/> <hr/>

All debtors are receivable within one year.

10. Creditors: amounts falling due within one year

	2016 £	2015 £
Other creditors and accruals	10,285	4,630
	<hr/>	<hr/>
	10,285	4,630
	<hr/> <hr/>	<hr/> <hr/>

International Senior Lawyers Project - UK

Notes forming part of the financial statements (continued) for the year ended 31 December 2016

11. Restricted funds

	At 1 January 2016	Income £	Expenditure £	At 31 December 2016 £
Albania	-	36,350	36,350	-
Bertha projects	13,898	-	13,898	-
Cuba	1,033	463	958	538
Liberia	-	12,000	12,000	-
Madagascar	-	11,817	11,817	-
Myanmar	-	1,551	1,551	-
Tajikistan	-	1,496	1,496	-
Tanzanian Law School	8,996	2,524	2,524	8,996
Tanzanian Scholarship	25,799	-	25,799	-
	<u>49,726</u>	<u>66,201</u>	<u>106,393</u>	<u>9,534</u>

All income reflects sums promised and either received in 2016 or due in 2017 but attributable to 2016 work; all expenditure occurred in 2016. The Albanian project is a judicial assistance programme delivered for the FCO; Bertha funding supports a number of projects delivering access to justice, equality and freedom of expression; the Liberian work, principally around tax issues, is funded by the Africa Legal Support Facility. Madagascar is a project working with the newly formed anti-corruption commission and is funded by the FCO; Myanmar is some preliminary work around support to the government and was paid for by ISLP. Tajikistan was a proposed training for the government on trade and investment but was cancelled; ROLE UK is the funder. The Tanzanian law school funding is a multi-year programme supported originally by funds received from the Clifford Chance Foundation and most recently ROLE UK. The Tanzanian scholarship (kindly sponsored by Richard Coleman) provided a scholarship enabling a promising student formerly at the Law School of Tanzania to undertake an LLM in Oil and Gas Law at Nottingham Trent University.

12. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds £
Fund balances at 31 December 2016 are represented by:			
Fixed assets	3,109	-	3,109
Current assets	196,922	9,534	206,456
Current liabilities	(10,285)	-	(10,285)
Total net assets	<u>189,746</u>	<u>9,534</u>	<u>199,280</u>

International Senior Lawyers Project - UK

Notes forming part of the financial statements (continued) for the year ended 31 December 2016

	Unrestricted funds £	Restricted funds £	Total funds £
Fund balances at 31 December 2015 are represented by:			
Fixed assets	557	-	557
Current assets	144,845	49,726	194,571
Current liabilities	(4,630)	-	(4,630)
	<hr/>	<hr/>	<hr/>
Total net assets	140,772	49,726	190,498
	<hr/>	<hr/>	<hr/>

13. Related party disclosures

Controlling parties

The Charity is controlled by International Senior Lawyers Project (ISLP), a not-for-profit Charity registered in the US in Washington, D.C.

The only group of financial statements in which the results of the Charity is included is that headed by ISLP.

Related party relationships and transactions

During the period voluntary income of £37,636 (2015: £31,897) was received from ISLP. There are no related party transactions in the reporting period that require disclosure under the Charities SORP.