

Registered number: 03616935
Charity number: 1073051

The Verification Research Training and Information Centre (VERTIC)
(A company limited by guarantee)

Trustees' report and financial statements

For the year ended 31 October 2024

Contents

	Page
Reference and administrative details of the charity, its trustees and advisers	1
Trustees' report	2-14
Independent auditor's report	15-17
Statement of financial activities	18
Balance sheet	19
Statement of cash flows	20
Notes to the financial statements	21-30

**Reference and administrative details of the charity, its trustees and advisers
For the year ended 31 October 2024**

Trustees

Prof Owen J Greene, Chair
Ms Laura Rockwood, Treasurer
Ms Lisa Tabassi
Mr Nicholas Sims
Dr John Walker

**Company registered
Number**

03616935

**Charity registered
Number**

1073051

Registered office

The Green House
244-254 Cambridge Heath Road
London
E2 9DA

Chief Executive Officer

Mr Larry MacFaul

Independent auditors

Goldwins
Chartered Accountants
75 Maygrove Road
West Hampstead
London
NW6 2EG

Bankers

NatWest
PO Box 411
34 Henrietta Street
London
WC2E 8NN

Solicitors

Bircham Dyson Bell
50 Broadway
London
SW1H 0BL

Trustees' report

For the year ended 31 October 2024

The Trustees, who are also directors of the charity for the purposes of the Companies Act, present their annual report and audited accounts for the year ended 31 October 2024, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The Trustees confirm that the annual report and financial statements of the company comply with current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in January 2015.

Since the charity qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not needed.

Objectives and Activities

Aims and objectives

Our vision is a world where the rule of law is respected. We want commitments undertaken by States to be verified and monitored effectively and transparently so that others know that governments are doing what they promised to do. We want these commitments implemented in national law, giving domestic effect to international undertakings. We want to increase understanding about what these commitments require, to ensure that they are complied with in a fair and equitable way, and to strengthen mechanisms so that concerns about compliance can be resolved.

Our mission is to support the development, implementation and effectiveness of international agreements and related regional and national initiatives, with particular attention to issues of monitoring, review, legislation and verification.

VERTIC's objects are defined in Article 4 of the Articles of Association as follows:

Conducting research and training and obtaining information on verification, monitoring and implementation of international and intra-national agreements, arrangements and related issues; and publishing such information both indirectly through the media channels and directly through its own publications.

In support of these objects, our work:

- assists interested States in national implementation of treaties and related legal instruments; and
- identifies and develops verification and monitoring solutions to enable States to work together confidently and cooperatively; and
- researches the components of compliance and analyses and enhances the role of compliance processes.

Strategy for achieving objectives

VERTIC's current strategic plan runs from January 2019 to June 2022, and was extended until completion of the new strategic review, which was near completion by the end of this financial year. The plan was monitored, and reflected on, throughout the reporting period. Our strategic priorities, which are reflected in the way we divide our work among Programmes, are as follows:

Trustees' report (continued)

For the year ended 31 October 2024

Trustees' report

The Verification Research Training and Information Centre (VERTIC) (A company limited by guarantee)

National implementation:

1. Maintain the organisation's traditional focus on the non-proliferation of CBRN weapons, security of materials, and emergency preparedness and response, and waste management.
2. Continue to expand the focus of the programme into other functional areas of law, such as other classes of weapons of mass destruction and conventional forces.

Verification and Monitoring:

3. Maintain the organisation's traditional focus on nuclear arms controls and disarmament agreements, with a view to strengthening existing or proposed verification and monitoring mechanisms,
4. Continue to advocate the use of science diplomacy to solve verification hurdles, and work towards establishing national capacity.
5. Continue to expand the focus of the programme into other areas including other classes of weapons of mass destruction, conventional forces and new and emerging technologies.

Compliance Mechanisms and Measures:

1. Maintain our work to enforce the United Nations Security Council sanctions regime when adopted under Chapter VII of the United Nations Charter, particularly in relation to maritime sanctions.
2. Conceptually strengthen our work on compliance, taking into account the United Nations Secretary General's Agenda for Disarmament, published on 24 May 2018, and subsequent remarks.

Cross-cutting priorities include diversifying and strengthening our funding base as well as further developing and implementing a training and education programme, drawing on all of our programmes.

Main activities undertaken to further the charity's purposes for the public benefit

Throughout the year, VERTIC's activities were aligned with its Strategic Plan including:

1. To obtain information and conduct research on monitoring and verification regimes deemed of interest including through a continued series of free and publicly available publications;
2. To offer training on monitoring and verification regimes through a continued series of training and assistance workshops with selected partner countries and our internship programme;
3. To advance monitoring and verification regimes through supporting governments and relevant organisations in their efforts to make those regimes binding on individual states. We will do so by offering ratification support to governments, as well as holding events on selected monitoring and verification regimes.
4. To assist governments in translating commitments undertaken in international law into national laws and regulations through the development of specific tools and a series of technical assistance activities designed to determine, review and strengthen domestic laws and regulations, in close cooperation with governments and intergovernmental organisations; and
5. To impartially analyse and inform cases where verification systems uncover (or may fail to uncover) possible violations of international law, with a specific focus on UN sanctions.

Public benefit

The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to give due regard to the public benefit guidance published by the Charity Commission in deciding the work undertaken by the charity and are satisfied that VERTIC's work continues to meet this criterion.

The charity's work to promote and strengthen the ability to determine whether states are keeping to their commitments under international law, to support the rule of law and to enhance state accountability is for the advancement of conflict resolution and/or the protection of the environment and falls within the definition of public benefit contained in sections 3(1)(h) and 3(1)(i) of the Charities Act 2011.

Achievements and performance

Key financial performance indicators

In FY2023-24, VERTIC received £1,726,539 in income and made £1,782,360 expenditure. During the year, the organisation ran more than 20 projects (see below) for a variety of funders. This high number of projects meant that the organisation had a high level of impact in terms of breadth, and depth, across key issues and processes in the field of peace and security. We managed to keep to our goal of running a mixture of large and small projects. However, challenges remained and increased related to maintaining consistent core and administrative support which is a chronic problem for organisations of our size and income types.

During the year, the organisation more than doubled its level of fundraising activity, in terms of numbers of projects applied for, compared to the previous year. We were successful in a similar number as the year before, despite the increase in activity. It also remained our aim to diversify our funding sources, including securing funding that more closely supports the full cost recovery of the organisation and securing more non-government sources. However, we remained unable to allocate significant time into pursuing this objective due to internal capacity levels.

Organisational developments

We were pleased recruited new legal officers into the National Implementation Measures Programme and, as planned in the previous year in order to increase our operational capacity, we created a new role of Project Coordinator, recruited at the senior level. To address departures and ongoing absences in the leadership of the National Implementation Measures Programme, and being mindful of the challenges in recruiting in this highly specialised area at the director level, the Director of the Compliance Mechanisms and Measures Programme took over both teams. We were pleased to make substantive advances, as planned, in using the unique combination of skill sets in the organisation by increasing collaboration across our functional units in project work, fundraising and organisationally. This manifested itself, for example, in our work on nuclear non-proliferation.

Review of activities

National Implementation Measures (NIM) programme:

During the FY 2023/24, the NIM Programme worked on the national legislative implementation of States' obligations under international legal instruments, maintaining its traditional focus on the non-proliferation of CBRN weapons and security of CBRN materials while continuing activities in related or other areas such as biological emergency preparedness and response and public health. NIM's methodology consists of three pillars: awareness-raising through publications and participation in events; legislative analysis to provide a gap analysis of legal frameworks; and legislative drafting, review and training. NIM cooperates and coordinates its work with relevant international organisations and assistance providers, including by joining international consortia. NIM's funding basis is a mix of funds from national governments as well as international and regional intergovernmental organisations, as demonstrated by the projects mentioned below, which were in the implementation phase during FY 2023/2024:

Advancing BWC National Implementation in Africa, Latin America and South East Asia, funded by the United States Department of State, 2021-2024. This project is implemented by CRDF Global and the NIM Programme to advance national implementation of the Biological Weapons Convention (BWC) by working with BWC States Parties on their implementing legislation, regulations, and related measures. The project foresees national and regional subprojects with BWC States Parties on legislative implementation.

Advancing BWC National Implementation in Kenya, funded by the United States Department of State, 2022-2023.

The NIM team completed their work under this project in the reporting period to provide legislative assistance for implementation of the BWC with Kenya.

Biological Weapons Convention Latin America and Southeast Asia Legislative Workshop, funded by the United States Department of State, 2023-2024

In this reporting period, the team, alongside partner CRDF Global, was awarded a pilot project for the development and conduct of a training workshop on legislative drafting for BWC implementation. This project involves creating a training curriculum and delivering a week-long training course.

During this reporting period, the team successfully developed the legislative drafting course curriculum and conducted the training workshop in Bangkok, Thailand, from 28 October-1 November 2024, gathering 15 participants representing 6 countries in Latin America and the Caribbean and Southeast Asia alongside regional experts and a representative from the United Nations Office of Disarmament Affairs.



Training Workshop on Legislative Drafting for Implementation of the Biological and Toxin Weapons Convention

Enhanced biosecurity in South East Asia Project 81, funded by the European Union CBRN Centres of Excellence, 2019-2022 extended to 2025.

NIM continued implementing Work Packages 2 and 7 to assess partner countries' legislation for the implementation of the BWC and the International Health Regulations, provide tailored recommendations to strengthen legislation, and to analyse legislation adopted and/or applied during the Covid-19 pandemic. The team participated in a Regional Conference under the project from 2-5 July 2024 in Bangkok, Thailand, during which they led training and discussed the findings of the work conducted under the project.



EU CBRN CoE Project 81 regional conference

Trustees' report

The Verification Research Training and Information Centre (VERTIC) (A company limited by guarantee)

BWC National Implementation Measures Database, funded by the United States Department of State, 2022-26. In collaboration with the United Nations Disarmament Research Institute (UNIDIR), the team continued work on a project to develop a BWC National Implementation Measures Database. The team held regular meetings with UNIDIR to coordinate research and undertook work to complete and upload country profiles for all States Parties to the BWC. NIM further attended the SynBio Africa conference from 17-19 July 2024 in Nairobi, Kenya, using data from the Database for a presentation on BWC national implementation to support efforts to promote the tool.



SynBio Africa Conference 2024

Supporting the legislative implementation and universalization of the BWC, CWC and related international instruments, funded by the UK Foreign, Commonwealth and Development Office, 2023-2024. The team completed the implementation of a project funded by the FCDO to support the implementation of the BWC and CWC. This project had a number of strands, including awareness raising, legislative analysis, legislative drafting and universalisation support in relation to the BWC and CWC.

Under this project, the team participated in a UN Office for Disarmament Affairs workshop on BWC universalization for Pacific states, held in Australia from 23-25 January 2024, after which Niue and Tuvalu acceded to the Convention. The team also held a BWC legislative drafting workshop with Sierra Leone in Freetown from 20-22 November 2023. This three-day event discussed drafting approaches to implement the BWC in the country and the pathway forward to CBRN related legislation in the country.



Workshop on Legislative Implementation of the BWC, Sierra Leone, Freetown

NIM staff further attended the Third Meeting of the Working Group on the Strengthening of the Biological and Toxins Weapons Convention during the second week of December 2023, and held a side event on 8 December to showcase activities under this project.

Trustees' report

The Verification Research Training and Information Centre (VERTIC) (A company limited by guarantee)



Side event to the Third Meeting of the Working Group on the Strengthening of the Biological and Toxins Weapons Convention

United Nations Procurement Division (UNPD): Academic Study on the International Convention for the Suppression of Acts of Nuclear Terrorism (ICSANT) (2024 follow up)

In this reporting period a small grant was agreed with the United Nations to respond to feedback and finalise the Academic Study on the International Convention for the Suppression of Acts of Nuclear Terrorism (ICSANT), originally completed by the NIM team in 2022. This work was completed in October 2024.

Verification and Monitoring Programme

The Verification and Monitoring Programme (VMP) provides research, tools and facilitates capacity building and expert dialogue to support international agreements and norms in the field of non-proliferation, arms control, disarmament and development. Programme staff have expertise across the scientific and policy fields. We engage globally with governments, technical agencies, international organisations, private sector, academia and civil society.

Over the period, the programme carried out activities in nuclear disarmament verification, disarmament irreversibility, and non-proliferation verification through nuclear safeguards. It also examined confidence building on nuclear test ban monitoring and refined its open source analysis of nuclear fuel cycles and potential chemical weapons production. The programme supported the ongoing development of processes for international investigations into biological and chemical weapons use, ways to monitor compliance with biological weapons obligations, and new approaches to cooperative monitoring of potential or post conflict zones. The programme also examined the impact of quantum technologies on verification and arms control.

North Korea's WMD: Assessment & Verification – role of Open Sources, funded by Global Affairs Canada

This multi-year project is developing an innovative methodology for analysing a nuclear weapons programme using open-source data. The project aims to provide a credible assessment of the DPRK's capabilities that can be interrogated and used by a range of stakeholders. The project also explores the applicability of the model to biological and chemical issues. The project consists of three linked workflows: our project partners at the Middlebury Institute of International Studies at Monterey (CNS) are systematically examining available open sources on the North Korean nuclear fuel cycle to provide a new baseline assessment of DPRK nuclear infrastructure; VERTIC is using fuel cycle modelling software, provided by the UK's National Nuclear Laboratory, to estimate present and historical fissile material production based on the inputs provided by CNS; our project partners at the Royal United Services Institute (RUSI) take results from VERTIC's model and use probabilistic framework to assess priorities for verification. RUSI will also provide assessments of the chemical and biological programmes. The project will produce imagery and material data sets as well as policy proposals designed to facilitate future negotiations and in-country verification efforts.

In the sixth year of the project, we developed partnerships with the Open Nuclear Network (ONN) to work on weaponisation and satellite monitoring and the University of Uppsala to evaluate operation modes of the Experimental Light Water Reactor in Yongbyon. A paper was presented to the 3rd annual Alva Myrdal Centre Conference in Uppsala. In February, we held a workshop in Vienna on North Korean Nuclear Futures in

cooperation with ONN) Programme and the Vienna Centre for Disarmament and Non-Proliferation (VCDNP). The workshop used a forecasting methodology, facilitated by the Swift Centre, to assess how the North Korean nuclear programme may develop in the next decade.

Supporting the UNSGM: Mapping internationally available resources and examining challenges in international cooperation funded by the US Department of State

This project, now completed, aimed to identify resources within the UN and other International Organisations that could be leveraged in a future investigation of alleged biological weapons use and consider possible challenges in making them available due to logistical, legal or institutional factors, as well as appropriate mitigation strategies.

The first part of the project focused on open-source research on the specific resources and capabilities of international organisations of interest, with the aim of building a matrix matching existing capabilities with possible UNSGM mission needs.

In response to changes in the broader international context surrounding the UNSGM, the project has changed its scope and goals. VERTIC worked alongside UNODA and DoS to deliver a training course on interviewing skills for UNSGM experts (delivered by the Institute for International Criminal Investigations) and a high level practitioner-led workshop at the UN on pre-deployment orientation for UNSGM experts.

Supporting Global Capacity for Nuclear Disarmament Verification, funded by the funded by the Norwegian Ministry of Foreign Affairs

This project aims to embed regional hubs for nuclear disarmament verification established under a previous VERTIC-led project in Latin America, Central Asia and Africa where local partners support implementation. The project continues support for on NDV at the international level, including work within the United Nations. At the end of September, a flagship conference took place in Rio de Janeiro hosted by VERTIC in partnership with NPSGlobal bringing together all the regions working under this project for the first time. The conference reviewed current international developments and their impact on efforts to build capacity for nuclear disarmament verification and aimed to foster a collaborative environment to share the three regional Hub's activities, initiatives and future plans. Highlights included a keynote address by Gustavo Zlauvinen, Ambassador, Ministry of Foreign Affairs of Argentina, President of the Tenth NPT Review Conference and a visit to the Brazilian-Argentine Agency for Accounting and Control of Nuclear Materials (ABACC) Headquarters.

Opportunities for Cooperative Aerial Monitoring, funded by the US Department of State

The aim of this initiative is to assess the technical and political feasibility of overhead monitoring systems, sensors and other monitoring equipment, as well as the geographic extent for cooperative overhead monitoring.

In May 2024 we held our first workshop on this project, at the Royal Geographical Society in London, convening experts on monitoring with uncrewed aerial vehicles (UAVs) to understand how a cooperative monitoring arrangement could be implemented. Ongoing research was conducted on the other areas of the project.

The Impact of Quantum Technologies on Verification and Arms Control, funded by the US Department of State

The project, now ended, looked at the impact of Quantum information science and technologies (QIST) on arms control, non-proliferation and verification. Quantum technologies are expected to impact and disrupt current verification activities by enabling the development of new sensors and challenging secure data transfer and storage. Moreover, additional developments in the use of QIST for accurate chemical and biological modelling are expected to cause additional challenges and opportunities for WMD risk reduction. CNS and VERTIC delivered a report that addresses these issues.

Irreversibility in nuclear disarmament: Long-term management and risk monitoring approaches, funded by the US Department of State

This project investigates the issue of irreversibility in nuclear disarmament from the perspective of nuclear latency, with a focus on long-term approaches for monitoring latent nuclear capabilities and managing risks.

This includes drawing a list of possible indicators of latent nuclear weapons capability, and matching them to appropriate monitoring and verification techniques. VERTIC is working with ONN on this subject. Work from the project was presented in March 2024 in Wilton Park.

Practical considerations for irreversibility of nuclear disarmament

VERTIC partnered with the University of York to continue previous research into the irreversibility of nuclear disarmament. In December 2023, we held a 2-day workshop in Rio de Janeiro with our partners NPSGlobal, which convened diplomats, representatives of regional and national institutions with technical and policy experts to understand the notion of irreversibility from a Latin American perspective. In addition, VERTIC commissioned four papers. The first three were case studies on irreversible disarmament in a former nuclear weapons state, a highly latent non-nuclear weapons states and a state that would be reluctant to disarm. The final paper was a joint exploration by three authors on the interlinking roles of technical, legal and political perspectives when considering irreversible disarmament. The African and Latin American NDV hubs presented a paper at the 3rd annual Alva Myrdal Centre Conference in Uppsala, Sweden. This project ended in March 2024.

Indicators and Monitoring Approaches to Support BWC Compliance, funded by the US Department of State

This project aims to develop a list of indicators of BWC non-compliance based on scenarios of possible BWC violation, and to match existing or proposed monitoring approaches to those indicators. VERTIC is partnering with King's College London.

The project saw consultations with experts run in Geneva in December 2024. So far, the project has produced a detailed set of possible proliferation risk scenarios; work in the project's second phase includes matching indicators drawn from those scenarios to known and proposed verification and monitoring approaches, including those raised in VEREX, and CBMs.

Assessing the Chemical Weapons Capability of the DPRK, funded by Global Affairs Canada

This project aims to reduce the threat posed by the proliferation and potential use of chemical weapons by North Korea, and to inform the development of potential threat reduction intervention strategies, this project aims to utilise open-source research and remote sensing capabilities to produce a comprehensive overview and analytical assessment of the DPRK's chemical weapons capabilities. VERTIC is acting as a subcontractor to the lead partner, RUSI.

Strengthening nuclear test ban monitoring via non-governmental satellite imagery analysis and mechanisms for resolving compliance concerns, funded by the UK FCDO

The Comprehensive Nuclear Test-Ban Treaty (CTBT) will prohibit States Parties from carrying out nuclear weapon test explosions, but has yet to enter into force. This project aimed to equip the international community with new ways to build confidence in the ongoing absence of nuclear weapon test explosions. It was led by ONN and VERTIC was sub-contracted to investigate how consultation and clarification mechanisms - a hitherto under-examined aspect of the CTBT - could be used to resolve questions and concerns regarding the absence of nuclear weapon test explosions.

VERTIC carried out research and visited the former Soviet nuclear test site at Semipalatinsk. The project produced a report that has been published by ONN. This project ended in March 2024.

Information Management Systems Needs, Procurement Options and Training Materials for UNSGM, funded by the US Department of State

This project develops a list of requirements for information management during a UNSGM investigation and translates these needs into technical specifications which can be used to procure or identify an appropriate information management platform, and prepare associated training materials for qualified experts on the UNSGM roster. The project will involve three technical workshops in collaboration with the UN Office for Disarmament Affairs (UNODA).

Capacity-building and remote assistance on IAEA Safeguards implementation and SSAC development, funded by the UK Department for Energy Security and Net Zero.

This project aims to support the IAEA Safeguards system by providing outreach and assistance to IAEA Member States in improving their national implementation of Safeguards, with a specific focus on domestic regulatory in the Safeguards context.

In January 2024, VERTIC and the US International Nuclear Safeguards Engagement Program (INSEP) assisted the Lao PDR Ministry of Education and Sport by analysing domestic safeguards legislation. In March, VERTIC advised the UK Government on implementing international safeguards in overseas territories. The project concluded in March 2024.

Safeguards assistance to Guinea and contribution to DESNZ SMR deep-dive 2B, funded by National Nuclear Laboratory Ltd (NNL)

VERTIC was been requested by the UK government Department for Energy Security and Net Zero to analyse nuclear safeguards challenges presented by Advanced and Small Modular Reactor (A/SMRs). VERTIC was also invited by INSEP to assist Guinea with safeguards implementation team including through review of draft Guinean legislation and an in-country workshop.

Compliance Mechanisms and Measures (CMM) Programme

The Compliance Mechanisms and Measures Programme's work is concerned with matters of interpretation, clarification, and concurrence. This entails research on adherence, the role of compliance processes, responses to non-compliance, as well as providing training on compliance.

During the FY 2023/24, the CMM programme continued its work on **United Nations sanctions research, awareness-raising, and training**, maintaining a particular focus on the maritime sanctions concerning North Korea. VERTIC is conducting this work as part of a consortium with the James Martin Centre for Non-proliferation Studies (CNS) under projects sub-contracted from CNS. The team, comprising two staff, worked on two projects addressing maritime officials, private sector maritime stakeholders and illicit shipping activities that are intended to enhance capacity for North Korea sanctions implementation and compliance.

This work involves significant in-person engagement at workshops around the world. The team conducted in-country capacity-building activities, including legislative drafting workshops and table-top exercises, as well as continuing its work with CNS to develop customised training and reference materials for delivery to states and private sector entities in the maritime field. The team also contributed to the consortium's production of additional maritime sanctions information materials, as the scope of work continued to expand to address additional sanctions compliance challenges.

The CMM programme completed its work on **Maritime Confidence- and Security-Building Measures (CSBM) in the Asia Pacific**, in cooperation with the Asia Pacific Leadership Network (APLN), on preventing dangerous maritime incidents and unintended escalation in the Asia-Pacific, supported by the US Department of State. The project engaged Asia-Pacific policy practitioners and experts in substantive dialogues on mitigating military incidents at sea and reinvigorating the call for urgent maritime confidence building and crisis-avoidance measures in the Asia-Pacific. The Project's final report, '[Crisis Avoidance: Preventing Dangerous Maritime Incidents and Unintended Escalation in the Asia-Pacific](#)', identifies the main drivers of instability in the Asia-Pacific maritime space as well as gaps in the existing CSBM architecture. The report proposes policy recommendations to address these challenges.

Trustees' report

The Verification Research Training and Information Centre (VERTIC) (A company limited by guarantee)



Cross-organisation activities

Over this period staff published analysis on a range of topics across the field of peace and security in *Trust & Verify* including:

- Legal proceedings concerning chemical weapons delivery systems and smuggling of nuclear materials, including weaponizable plutonium
- UNSC 1718 Committee Panel of Experts expiration and maritime sanctions monitoring
- Seizure of Iranian tanker carrying out ship-to-ship oil transfer,
- Confidence-building measures for submarine cable security
- Preventing dangerous maritime incidents and unintended escalation in the Asia-Pacific
- IAEA stopping drawing safeguards conclusions for some Member States
- Cooperative overhead monitoring in disputed territories
- Discharges from Fukushima Daiichi
- Elimination of the US chemical weapons stockpile - milestone moment
- Allegations of the use of riot control agents in Ukraine
- UN-led Verification Study Group
- Diplomatic momentum and the Comprehensive Nuclear Test-Ban Treaty
- 2023 First Committee and nuclear disarmament verification
- Recent activity at the Experimental Light Water Reactor, North Korea
- Recent developments and applications of additive manufacturing
- AI and CBRN risks

Staff also wrote on export controls over biological weapons-related materials in Africa for the UNSCR 1540 Compass; New Zealand and AUKUS Pillar for The Korea Times; and cyber arms control and counter proliferation for the Research Handbook on Cyberwarfare as well as the TPNW at the Alva Myrdal Centre for Nuclear Disarmament.

Events, presentations, lecturers and partners

Staff supported VERTIC's mandate and mission through engagement in a range of initiatives including:

- Asia-Pacific Leadership Network;
- Biosecurity Fundamentals Pandemics course, Blue Dot Impact;
- International Nuclear Law Association, Working Group on Nuclear Security and Non-Proliferation; European Safeguards Association (ESARDA) Verification Technologies and Methodologies (VTM) working group;
- VeSPoTec (Verification in a Complex and Unpredictable World: Social, Political and Technical Processes)
- Zurich ETH on arms control verification
- *Global Partnership against the Spread of Weapons and Materials of Mass Destruction*,
- Youth and Chemical Disarmament Dialogue
- Chemical Weapons Convention Coalition
- UNODA
- OPCW

Trustees' report

The Verification Research Training and Information Centre (VERTIC) (A company limited by guarantee)



Roel Walravens at the OPCW's *Youth and Chemical Disarmament Dialogue* side event, December 2023

Financial review

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Principal funding

VERTIC's income was £1,726,539 for the year ended 31 October 2024 (2023: 2,175,373). Of this, 1,599,623 (2023: 1,783,473) were restricted funds and £126,916 (2023: £391,900) were unrestricted funds. Income is recorded on grant registers by donor and programme.

Details of the restricted project funds are given in note 13 to the accounts. The Trustees are confident that adequate resources are available to enable the completion of these projects.

Reserves policy

VERTIC seeks to maintain a level of unrestricted reserves adequate to meet all current and known future liabilities. In practice, the Trustees consider that holding unrestricted reserves equivalent to three months operating and contractual costs is a sufficient minimum, which based upon the figures for the year ended 31 October 2024 is £285,000 (2023: £370,000). The reserves policy is under continuous review.

Assets

VERTIC holds no significant assets apart from fixtures and fittings, office and computer equipment.

Investment performance

VERTIC can invest monies not immediately required in such investments, securities or property as may be thought fit. The current policy is to maintain all such monies on deposit earning a market rate of interest.

Risks and uncertainties

The board has reviewed the major risks to which VERTIC is exposed, particularly those related to the governance, operations and finances of the charity, and is satisfied that reasonable steps are being taken to manage them. VERTIC maintains a risk register, and the Board and Senior VERTIC Management regularly review the range of identified risks to VERTIC, and takes actions accordingly. Each VERTIC Programme and Project also has specific risk identification and management procedures.

Structure, governance and management

Constitution

VERTIC is a company limited by guarantee (number: 03616935) and a registered charity (number: 1073051) in England and Wales. It was incorporated on 17 August 1998 and is governed by articles of association which were last amended and adopted on 11 May 2011. VERTIC is an independent, not-for-profit, non-governmental organisation.

The Board

The Board of Trustees is responsible for the governance and strategic direction of VERTIC. The Board meets regularly and from time to time convenes sub-committees to perform specific delegated duties.

The Board of Trustees comprises between three and eleven trustees. Trustees are appointed by ordinary resolution or by a simple majority of all directors for fixed terms of three years after which they must retire from office. They may stand for re-election.

Trustee recruitment and appointment

There is a regular process for reviewing and refreshing Board membership. Upon appointment, trustees receive relevant information about VERTIC including a copy of the articles of association and recent board minutes. New trustees also receive the ongoing support of the Chair and the Executive Director.

Staff and management

VERTIC employed 13 staff as at 31 October 2024. The Chief Executive Officer (referred to as the 'Executive Director') is responsible for the day-to-day operational management of VERTIC and is accountable to the board of trustees. He is supported by a Deputy Executive Director and by Programme Directors. The Programme Directors are responsible for managing their programmes and the day-to-day implementation and supervision of projects as well as fundraising. VERTIC also runs a paid internship programme.

Pay and remuneration of staff

VERTIC's policies on remuneration are set out in its 'Staff Handbook'. The Executive Director prepares an annual salary review in consultation with the finance staff. The draft salary review and the annual budget are provided to the Board of Trustees for their consideration, comments and approval. The Board of Trustees decides the Executive Director's salary independently.

Plans for future periods and future developments

The current strategic plan and ongoing strategic review process do not envision any significant changes in the focus and direction of the charity.

Trustees' responsibilities statement

The Trustees (who are also directors of The Verification Research, Training and Information Centre for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and regulations and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they 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 judgments and accounting estimates that are reasonable and prudent;

Trustees' report

The Verification Research Training and Information Centre (VERTIC) (A company limited by guarantee)

- state whether applicable UK Accounting Standards have been followed, subject to any material 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 charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This report was approved by the Trustees, on 29th July 2025 and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'Owen Greene', enclosed within a hand-drawn oval.

Prof Owen Greene, Chair
Trustee

Opinion.

We have audited the financial statements of The Verification Research Training and Information Centre (VERTIC) (the 'Charity') for the year ended 31 October 2024 which comprise the Statement of Financial Activities, the Balance Sheet, statement of 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 Charity's affairs as at 31 October 2024 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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 Charity 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report) have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement, 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 they 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 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 Charity or to cease operations, or have no realistic alternative but to do so.

Our 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.

Auditor's report

The Verification Research Training and Information Centre (VERTIC) (A company limited by guarantee)

- We inspected the minutes of meetings of those charged with governance.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of 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.

Use of our report

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Anthony Epton (Senior Statutory Auditor)
for and on behalf of
Goldwins Limited
Statutory Auditor
Chartered Accountants
75 Maygrove Road
West Hampstead
London NW6 2EG

22 August 2025

Statement of financial activities

(incorporating an income and expenditure account)

For the year ended 31 October 2024

	Note	Unrestricted	Restricted	2024 Total	2023 Total
		£	£	£	£
Income from:					
Charitable activities	3	126,916	1,599,623	1,726,539	2,175,373
Total income		126,916	1,599,623	1,726,539	2,175,373
Expenditure on:					
Raising funds		34,936	-	34,936	20,831
Charitable activities:		301,366	1,446,058	1,747,424	1,455,952
Total expenditure	4.	336,302	1,446,058	1,782,360	1,476,783
Net income / (expenditure) for the year		(209,386)	153,565	(55,821)	698,590
Transfers between funds		119,483	(119,483)	-	-
Net income / (expenditure) before other recognised gains and losses		(89,903)	34,082	(55,821)	698,590
Unrealised Gain / (Loss)				-	
Gains / (losses) on fixed assets					
Foreign exchange gains / (losses)		(22,957)	(34,179)	(57,136)	(53,116)
Net movement in funds	13	(112,860)	(97)	(112,957)	645,474
Reconciliation of funds:					
Total funds brought forward		1,222,585	409,637	1,632,222	986,748
Total funds carried forward		1,109,725	409,540	1,519,265	1,632,222

All of the above results are derived from continuing activities.

There were no other recognised gains or losses other than those stated above.

The notes on pages 21-30 form part of these financial statements.

The Verification Research Training and Information Centre (VERTIC)**Registered number: 03616935****Balance sheet****As at 31 October 2024**

	Note	2024 £	2024 £	2023 £	2023 £
Fixed assets:					
Tangible assets	8		<u>1,872</u>		<u>3,353</u>
			1,872		3,353
Current assets:					
Debtors	9	362,617		397,177	
Cash at bank and in hand	16	<u>1,223,540</u>		<u>1,722,480</u>	
		1,586,157		2,119,657	
Liabilities:					
Creditors: amounts falling due within one year	10	<u>(68,763)</u>		<u>(490,788)</u>	
Net current assets			<u>1,517,393</u>		<u>1,628,869</u>
Total assets less current liabilities			<u>1,519,265</u>		<u>1,632,222</u>
Total net assets			<u>1,519,265</u>		<u>1,632,222</u>
Charity Funds					
Restricted funds	13		409,540		409,637
Unrestricted funds	13		<u>1,109,725</u>		<u>1,222,585</u>
Total funds			<u>1,519,265</u>		<u>1,632,222</u>

The charity's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the Trustees on the 29 July 2025 and signed on their behalf, by:



Prof Owen Greene, Chair

The notes on pages 21-30 form part of these financial statement.

The Verification Research Training and Information Centre (VERTIC)

Statement of cash flows

For the year ended 31 October 2024

	Note	2024 £	2024	2023	2023 £
Cash flows from operating activities:					
Net cash provided by / (used in) operating activities	15		(439,800)		(80,792)
Cash flows from investing activities:					
Interest/ rent/ dividends from investments					
Sale/ (purchase) of fixed assets		(2,003)		(1,607)	
Other gains / (loss) of fixed assets		-		-	
Unrealised gains/ (losses)					
Cash provided by / (used in) investing activities			(2,003)		(1,607)
Cash provided by / (used in) financing activities			-		-
Change in cash and cash equivalents in the year			(441,803)		(82,399)
Cash and cash equivalents at the beginning of the year			1,722,480		1,857,995
Change in cash and cash equivalents due to exchange rate movements			(57,136)		(53,116)
Cash and cash equivalents at the end of the year	16		1,223,540		1,722,480

The notes on pages 21-30 form part of these financial statements.

The Verification Research Training and Information Centre (VERTIC)
Notes to the Financial Statements
For the year ended 31 October 2024

1. Accounting policies

a) Basis of preparation of financial statements

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 in the UK and Republic of Ireland (FRS 102 - effective 1 January 2015) - (Charities SORP FRS 102) and the Charities Act 2011, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Verification Research Training and Information Centre (VERTIC) 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 or note.

b) Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Accounting estimates and assumptions:

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Areas of judgement:

The charity has recognised tangible assets with a carrying value of £1,872 at the reporting date (see note 8). These assets are stated at their cost less provision for depreciation. The company's accounting policy sets out the approach to calculating depreciation for assets acquired.

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. See note 8 for the carrying amount of tangible fixed assets.

Deferred income has been recognised where the receipt of a grant has occurred during the period but the associated expenditure will occur during future periods. The income has been deferred to ensure that the recognition of the income and expenditure are recorded in the same period in the financial statements.

Accrued income has been recognised on the value of work performed on programme related activities but not yet invoiced for. The invoices will be raised and settled in the next period.

c) Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The trustees do not consider that there are any sources of estimation uncertainty at the

reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

d) Company status

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

e) Income recognition

Income from charitable and trading activities is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received, and the amount can be measured reliably and is not deferred. Income received in advance for the provision of specified service is deferred until the criteria for income recognition are met.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

h) Expenditure and irrecoverable VAT

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accrual basis and includes attributable VAT where it cannot be recovered.

i) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back-office costs, finance, personnel, payroll and governance costs which support the charity and its activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 4.

j) Operating leases

Rental charges are charged on a straight-line basis over the term of the lease.

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	25% straight line (over four years)
Computer equipment	33% straight line (over three years)

l) 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.

m) Cash at bank and in hand

Cash at bank and cash in hand includes 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.

n) 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.

o) Financial Instruments

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

p) Foreign Currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the Statement of financial activities incorporating income and expenditure account.

q) Pensions

The charity operates a defined contribution pension scheme, and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

The Verification Research Training and Information Centre (VERTIC)
Notes to the Financial Statements
For the year ended 31 October 2024

2. Detailed comparatives for the statement of financial activities				
	2023	2023	2023	
	Unrestricted	Restricted	Total	
	£	£	£	
Income from:				
Donations and legacies				
Charitable activities	391,900	1,783,473	2,175,373	
Total income	<u>391,900</u>	<u>1,783,473</u>	<u>2,175,373</u>	
Expenditure on:				
Raising funds	20,831	-	20,831	
Charitable activities:	441,284	1,014,668	1,455,952	
Total expenditure	<u>462,115</u>	<u>1,014,668</u>	<u>1,476,783</u>	
Net income / expenditure	<u>(70,215)</u>	<u>768,805</u>	<u>698,590</u>	
Transfers between funds	356,695	(356,695)		
Net income / (expenditure) before other recognised gains and losses	286,480	412,110	698,590	
Gains / (losses) on fixed assets	-	-	-	
Foreign exchange gains/(loses)	(50,643)	(2,473)	(53,116)	
Net movement in funds	<u>235,837</u>	<u>409,637</u>	<u>645,474</u>	
Reconciliation of funds:				
Total funds brought forward	986,748	-	986,748	
Total funds carried forward	<u>1,222,585</u>	<u>409,637</u>	<u>1,632,222</u>	
3. Income from charitable activities				
	Unrestricted	Restricted	2024	2023
			Total	Total
	£	£	£	£
Charitable activities	126,916	1,599,623	1,726,539	2,074,093
Donations and legacies				64,551
Investments				5,948
Other Income				30,781
Joseph Rowntree Charitable Trust				
Total income	<u>126,916</u>	<u>1,599,623</u>	<u>1,726,539</u>	<u>2,175,373</u>

The Verification Research Training and Information Centre (VERTIC)
Notes to the Financial Statements
For the year ended 31 October 2024

4. Analysis of expenditure							
	Basis of allocation	Support cost	Governance costs	Raising Funds	Charitable activities	2024	2023
		£	£	£	£	£	£
Charitable Activities	Direct	1,615			779,496	781,111	640,131
Legal & Professional	Direct	104,909			1,036	105,945	1,317
Auditor's remuneration	Direct		10,300		2,160	12,460	7,132
Wages and salaries	Direct	88,933	14,313	34,936	649,382	787,564	694,362
Staff welfare	Direct	3,110			52	3,162	7,583
Project cost	Direct					-	-
Office overheads	Staff	1,837			427	2,264	14,235
Insurance	Staff	9,735				9,735	1,710
PPS	Staff					-	10,828
Recruitment	Staff	1,050			9,095	10,145	-
Refreshments	Staff					-	-
Subscriptions	Staff	6,487			727	7,214	976
Rent	Staff	54,118				54,118	54,395
Rates	Staff	1,419				1,419	-
Bank charges	Staff	771			515	1,286	-
Governance	Staff		2,453			2,453	40,227
Depreciation	Staff	316			3,168	3,484	3,887
		274,300	27,066	34,936	1,446,058	1,782,360	1,476,783
Support costs		(274,300)			274,300		
Governance costs			(27,066)		27,066		
Total expenditure 2024		0.00	0.00	34,936	1,747,424	1,782,360	
Total expenditure 2023				20,831	1,455,952		1,476,783

Of the total expenditure £336,302 was unrestricted (2023: £462,115) and £1,446,057 was restricted (2023: £1,014,668).

5 Net income / (expenditure) for the year

This is stated after charging / (crediting):	2024	2023
	£	£
Depreciation	3,484	3,887
Auditor's remuneration	7,000	6,500
Projects audit	1,800	1,000
Pension costs	33,255	28,405
Unrealised (gains) / losses		
Foreign exchange (gains) / losses	57,136	53,116

The Verification Research Training and Information Centre (VERTIC)
Notes to the Financial Statements
For the year ended 31 October 2024

6 Analysis of staff costs, trustee remuneration and expenses, and key management personnel costs

Staff costs were as follows:

	2024	2023
	£	£
Salaries and wages	682,623	597,173
Social security costs	71,686	68,784
Pension contributions	33,255	28,405
	<u>787,564</u>	<u>694,362</u>

The following number of employees received remuneration during the year between:

	2024	2023
	No.	No.
£60,000 - £69,999	1	3
£70,000 - £79,999	2	2
£80,000 - £89,999	1	0
£90,000 - £99,999	<u>1</u>	<u>0</u>

The total employee benefits including pension contributions of the key management personnel were £182,354 (2023: £358,979).

Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as

	2024	2023
Raising funds	8	11
Charitable activities	1	1
Support	1	1
Governance	<u>1</u>	<u>1</u>
	<u>10</u>	<u>13</u>

7 Taxation

The charity is exempt from tax as all its income is charitable and is applied for charitable purposes.

8 Tangible fixed assets

	Computer Equipment	Fixtures & Fittings	Total
Cost		£	£
At the start of the year	38,109	2,156	40,265
Additions in year	2,003		2,003
Disposals in year			-
At the end of the year	40,112	2,156	42,268
Depreciation			
At the start of the year	34,756	2,156	36,912
Charge for the year	3,484		3,484
Eliminated on disposal			
At the end of the year	38,240	2,156	40,396
Net book value			
At the end of the year	1,872	-	1,872
At the start of the year	3,353	-	3,353

All of the above assets are used for charitable purposes.

9 Debtors

	2024	2023
	£	£
Trade debtors	141,797	55,288
Accrued income	205,044	341,548
Prepayments	15,776	341
	<u>362,617</u>	<u>397,177</u>

10 Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	14,857	53,157
Taxation and social security	19,623	16,668
Other creditors	20,858	8,175
Accruals	13,425	151,877
Deferred income		260,911
	<u>68,763</u>	<u>490,788</u>

The Verification Research Training and Information Centre (VERTIC)
Notes to the Financial Statements
For the year ended 31 October 2024

Deferred income

	2024	2023
	£	£
Balance at the beginning of the year	260,911	874,214
Amount released to income in the year	(260,911)	(874,214)
Amount deferred in the year	-	260,911
Balance at the end of the year	<u>-</u>	<u>260,911</u>

11 Analysis of net assets between funds - current year

	Unrestricted	Restricted	Total funds
	£	£	£
Tangible fixed assets	-	1,872	1,872
Current assets	1,163,631	422,525	1,586,156
Current liabilities	(53,906)	(14,857)	(68,763)
Net assets at the end of the year	<u>1,109,725</u>	<u>409,540</u>	<u>1,519,265</u>

12 Analysis of net assets between funds - prior year

	Unrestricted	Restricted	Total funds
	£	£	£
Tangible fixed assets	3,353	-	3,353
Current assets	1,486,643	633,014	2,119,657
Current liabilities	(267,411)	(223,377)	(490,788)
Net assets at the end of the year	<u>1,222,585</u>	<u>409,637</u>	<u>1,632,222</u>

13 Movements in funds - current year

	Balance at 1 November 2023	Income	Expenditure	Transfer in/out	Unrealised gains / losses	Balance at 31 October 2024
General funds	1,222,585	126,916	(336,302)	119,483	(22,957)	1,109,725
Restricted funds						
NIM programme	334,247	454,479	(686,732)	(92,057)	(9,937)	-
VM programme	75,390	1,052,979	(694,587)		(24,242)	409,540
CMM programme	-	92,165	(64,739)	(27,426)		-
Other restricted funds						-
Total restricted funds	<u>409,637</u>	<u>1,599,623</u>	<u>(1,446,058)</u>	<u>(119,483)</u>	<u>(34,179)</u>	<u>409,540</u>
Total funds	<u>1,632,222</u>	<u>1,726,539</u>	<u>(1,782,360)</u>	<u>-</u>	<u>57,136</u>	<u>1,519,265</u>

Restricted funds:

NIM - National Implementation Measures programme

VM - Verification and Monitoring Programme

CMM -Compliance Mechanisms and Measures programme

The Verification Research Training and Information Centre (VERTIC)
Notes to the Financial Statements
For the year ended 31 October 2024

14 Movements in funds - prior year

	Balance at 1 November 2022	Income	Expenditure	Transfer in/out	Unrealised gains / losses	Balance at 31 October 2023
General funds	986,748	391,900	(462,115)	356,695	(50,643)	1,222,585
Restricted funds						
NIM programme	-	838,781	(336,827)	(167,756)	49	334,247
VM programme	-	944,693	(677,841)	(188,939)	(2,523)	75,390
CMM programme	-					-
Other restricted funds						-
Total restricted funds	-	1,783,473	(1,014,668)	(356,695)	(2,474)	409,637
Total funds	986,748	2,175,373	(1,476,783)	-	(53,116)	1,632,222

VERTIC is extremely grateful for the continuing support from its funders such as European Commission representatives, Foreign Ministries, Institutes and Legal Institutions, and others that contributed £33,932, £1,282,600, 167,056, 116,035 and 126,916 respectively.

15 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2024	2023
	£	£
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	(55,821)	698,590
Depreciation	3,484	3,887
Unrealised (gains) / losses		-
Exchange (gain) / loss		-
Loss/ (profit) on the sale of fixed assets		-
(Increase)/ decrease in stock	-	-
(Increase)/ decrease in debtors	34,560	(294,863)
Increase/ (decrease) in creditors	(422,024)	(488,406)
Net cash provided by / (used in) operating activities	(439,801)	(80,792)

16 Analysis of cash and cash equivalents

	At 1 November 2023 £	Cash flows £	Other changes £	At 31 October 2024 £
Cash at bank and in hand	1,722,480	(498,940)		1,223,540
Overdraft facility (repayable on demand)				
Total cash and cash equivalents	1,722,480	(498,940)		1,223,540

17 Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund amounted to £33,255 (2023 - £33,726) of which £3,326 (2023- £2,794) was payable at the year end.

The Verification Research Training and Information Centre (VERTIC)
Notes to the Financial Statements
For the year ended 31 October 2024

18 Operating lease commitments

At 31 October 2024 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

Amounts payable:	2024	2023
Within 1 year	33,220	20,810
Between 1 and 5 years	0	33,220
	<u>33,220</u>	<u>54,030</u>