

THE CONVERSATION TRUST (UK) LIMITED

England & Wales · Charity number 1151436

Details

Other names	THE CONVERSATION
Status	Registered
Legal form	Charitable company
Company number	08158264
Registered	2013-03-27
Register	View on the Charity Commission register

Contact

Address	Shropshire House (4th Floor) Capper Street London WC1E 6JA
Phone	02031086808
Email	uk-admin@theconversation.com
Website	http://www.theconversation.com/uk

Activities

Objects: THE CHARITYS OBJECTS ARE SPECIFICALLY RESTRICTED TO PROMOTING FOR THE PUBLIC BENEFIT: THE ADVANCEMENT OF EDUCATION AND INCLUDING WITHOUT LIMITATION INsofar AS SO DOING ADVANCES EDUCATION:1) THE PROVISION OF A PLATFORM FOR THE CREATION, AGGREGATION AND COMMUNICATION OF NEWS AND INFORMATION SERVICES RELATING TO THE KNOWLEDGE INDUSTRIES (INCLUDING BUT NOT LIMITED TO RESEARCH, HIGHER EDUCATION, CONSULTING ETC); AND2) THE COMMUNICATION OF ALL ACADEMIC DISCIPLINES AND THEIR BENEFITS AS BROADLY AS POSSIBLE TO ENRICH SOCIETYS FOUNDATIONS OF KNOWLEDGE, EXPERTISE AND SOLUTIONS.

Activities: Publisher of an online news analysis and commentary website where all articles are written by academics for a general non-academic audience. Around 100 articles per week are published and all are available for republishing free of charge under a Creative Commons licence.

Classification

- **How:** Provides Advocacy/advice/information
- **What:** Education/training, Arts/culture/heritage/science
- **Who:** The General Public/mankind

Geography

- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£2,703,840	£2,503,405	£678,424	39
2024-07-31	£2,280,011	£2,517,060	£477,989	39
2023-07-31	£2,367,589	£2,420,209	£784,418	37
2022-07-31	£2,210,787	£2,015,966	£837,038	33
2021-07-31	£1,944,504	£1,689,741	£606,461	27

Trustees

Name	Role	Appointed
David Levy		2019-10-30
Diana Beech		2021-07-06
Jacqueline Kirsty Walker		2023-06-06
Katharine Louise Metzler		2020-09-01
Kavita Reddi		2022-09-15
Matthew Peter Walsh		2022-09-15
Professor Colleen Maria Murrell		2025-09-01
Professor David Gordon Sweeney		2022-10-01
Professor Einar Thorsen		2024-03-01
Rachel Walker		2024-03-01
Vivienne Mary Hunt Parry		2022-09-15

THE CONVERSATION TRUST (UK) LIMITED

England & Wales - Charity number 1151436

Accounts

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Company, its Trustees and Advisers	1
Trustees' Report	2 - 7
Independent Auditors' Report on the Financial Statements	8 - 12
Consolidated Statement of Financial Activities	13
Consolidated Balance Sheet	14
Consolidated Statement of Cash Flows	17
Notes to the Financial Statements	18 - 34

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 JULY 2025**

Trustees	Dr David Anthony Lipton Levy, Acting Chair Rachel Ann Walker Professor Einar Thorsen Kirsty Walker Professor David Gordon Sweeney Matthew Peter Walsh Kavita Reddi Vivienne Mary Hunt Parry Diana Beech Katherine Louise Metzler Professor Nishan Canagarajah (resigned 31 December 2025) Emily Anne Bunting (resigned 31 December 2025) Professor Colleen Maria Murrell (appointed 1 September 2025) Professor Julie Christina Sanders (resigned 17 February 2025)
Company registered number	08158264
Charity registered numbers	1151436 and SC044707
Registered office	Shropshire House (4th Floor) 11-20 Capper Street London WC1E 6JA
Editor	Stephen Khan
Chief Executive Officer	Chris Waiting
Independent auditors	Nyman Libson Paul LLP Chartered Accountants 124 Finchley Road London NW3 5JS
Bankers	Co-operative Bank P.O. Box 250 Delf House Southway Skelmersdale WN8 6WT

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2025

The trustees present their report along with the consolidated financial statements of the charity for the year ended 31 July 2025.

Objectives and Activities

The Conversation Trust (UK) Limited exists to promote the advancement of education by making academic research and expertise freely accessible to the public. We publish evidence-based journalism written by academics and edited by professional journalists, helping people make better-informed decisions about the world around them.

All our content is published under a Creative Commons licence, enabling free republication by news organisations worldwide. During 2024-25, we published approximately 4,000 articles which were read around 109 million times through our website and republication partners. We work with 89 member universities across the UK and Europe, supporting them in demonstrating research impact and public engagement.

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit and are satisfied that the charity's activities deliver clear public benefit through providing free access to authoritative, expert analysis on issues affecting people's lives.

In 2025, trustees began work on a new Strategic Framework to ensure we remain the UK's most comprehensive conveyor of academic knowledge, focusing on four priorities: revenue growth and diversification; building loyal, engaged audiences; strengthening organisational capabilities; and effective collaboration within The Conversation's global network. This framework guides all strategic decisions and is designed to secure the charity's impact, relevance and financial future.

Activities and Achievements

Industry Context

The year saw continuing challenges for both higher education and digital news publishers. UK universities faced acute financial pressure, with many institutions running deficits and forced to make difficult choices about where to invest limited resources. At the same time, they were under increasing pressure to demonstrate research impact and public engagement, with the next Research Excellence Framework emphasising collaboration, commercialisation, and demonstrable social value. For universities, proving that research reaches and benefits the public has never been more strategically important.

The news industry experienced its most disruptive year in a decade, with traffic to publishers falling sharply following Google's launch of AI-generated search summaries and the continued collapse of social media as a reliable distribution channel. These platform changes affected traffic across virtually all publishers, including The Conversation. However, this disruption also created a distinctive strategic opportunity for our model. As audiences face an overwhelming flood of AI-generated content and unverified information from social media influencers, trust in traditional news has declined whilst demand for credible, evidence-based explanation has intensified.

Trustees believe The Conversation's approach of verified academic expertise, transparent sourcing, and rigorous editorial standards directly addresses what audiences are seeking and what universities need to demonstrate. At exactly the moment when institutions must prove research impact and when audiences are searching for trustworthy voices to make sense of complexity, we help universities reach millions with their research whilst providing readers with the expert analysis and explanation they increasingly value in a fragmented information landscape.

And so, despite this challenging environment, The Conversation UK delivered a year of significant achievement, demonstrating both the resilience of our model and the continuing public appetite for expert, evidence-based journalism.

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

Awards and Recognition

The year brought exceptional recognition for the quality and impact of our journalism:

- **Publisher Podcast Awards 2025:** The Conversation was named Podcast Publisher of the Year, with our UK-Australia collaboration Scam Factories winning Best Investigative Podcast
- **British Podcast Awards 2025:** Our Curious Kids series won the Best Family category
- **Publisher Newsletter Awards:** Our Imagine Climate newsletter won Best Science & Technology Newsletter, while multiple other newsletters received nominations

These accolades reflect both editorial excellence and successful editorial innovation. In particular our podcast portfolio has grown, including The Conversation Weekly, collaborative projects with member institutions, and new limited series reaching diverse audiences.

Editorial Impact and Partnerships

Content quality and breadth remained strong, spanning all academic disciplines with particular depth in health, science, climate, politics and arts. Republication partnerships expanded, with The Independent becoming a major partner, republishing health content daily and delivering substantial additional reach to new audiences.

In August 2024, Research England confirmed renewal of funding for The Conversation UK's flagship Insights & Applications project for a further three years, worth a combined £1.2 million. This reflects Research England's ongoing confidence in the project's value. Separately, MEDR (formerly HEFCW) renewed funding for The Conversation's Wales Editor for a further three years, worth £180,000, demonstrating the value Welsh funding bodies place on taking Welsh research to wider audiences. These grant renewals underscore the critical role The Conversation plays in communicating UK research to the public and demonstrating research impact.

The Conversation UK played an active role in public discourse through high-profile events and partnerships:

- Partnership with Vision Europe at its Future of Europe summit in Siena, where our editors chaired sessions featuring leading European academics.
- The Conversation Prize was established in partnership with Curtis Brown literary agency and Faber publisher, won by Brian Thornton (Winchester) for his article on wrongful convictions.
- Public events at the National Museum of Film and Photography in Bradford and with Cumberland Lodge in Newcastle.
- A collaboration was established with Videnskab.dk, a Danish science publication, leading to the appointment of an editor in Copenhagen, expanding The Conversation's Nordic presence and creating a model for European partnerships.

Our editorial team maintained rigorous standards, publishing transparent corrections when errors were identified and editorial content decision making continued to operate under independent oversight from the Editorial Board.

Membership and Engagement

University membership remained stable at 89 institutions despite sector-wide financial pressures. New members joined primarily from continental Europe, supporting income diversification whilst the vast majority of research-intensive UK universities continue their membership. Several former members rejoined, reflecting sector engagement and recognition of the unique value we deliver through research visibility, impact demonstration and training support.

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

Recent integration of Overton citation tracking revealed thousands of previously uncaptured examples of TCUK stories being cited by governments, think tanks, NGOs and policy documents worldwide - strengthening our ability to demonstrate research impact to members.

Universal Impact

Universal Impact Ltd, our trading subsidiary, completed its first full year of independent operation and delivered £170,000 in income, primarily through training and consultancy services. This represents our fastest-growing income stream and demonstrates increasing recognition of our expertise in research communication and public engagement. All profits are gift aided to support the charity's mission.

Financial Turnaround

After two years of losses (£122,000 in FY23, £187,000 in FY24), the charity achieved a surplus of £203,000 in FY25. This turnaround was delivered through disciplined cost management combined with targeted investment in strategic priorities, whilst maintaining editorial quality and member value.

Financial Review

Income and Expenditure

Total income reached £2.70 million (FY24: £2.28 million), representing 18.6% growth. This was driven by:

- Membership fees of £1.61 million (FY24: £1.51 million), growing 7.7% through a combination of price increases and membership tier upgrades.
- Reader donations of £355,000 (FY24: £272,000), up 30.5%, with over half now from regular monthly supporters.
- Grant funding of £469,000 from UKRI (Research England and MEDR), alongside other project grants.
- Universal Impact income of £170,000 in its first full year.
- Interest income of £15,000 and other income from content partnerships and licensing.

Total expenditure was carefully controlled at £2.50 million (FY24: £2.52 million), a modest 1% reduction despite inflationary pressures. Staffing remained the largest cost at £2.05 million (82% of total), with other significant categories including the licence fee to The Conversation Media Group (Australia) of £170,000, editorial costs including freelance fees and podcast production, and administrative expenses including audit, legal and office costs.

The charity continues to benefit from gifted office space from University College London, for which we remain deeply grateful.

Reserves

The trustees maintain a reserves policy targeting free reserves sufficient to cover four months' unrestricted operating expenditure. Free reserves are defined as total unrestricted funds less the carrying value of fixed assets. At 31 July 2025, the target equates to approximately £550,000, based on budgeted unrestricted costs for FY26.

Free reserves stood at £423,511 at 31 July 2025 (31 July 2024: £274,550). The charity has made strong progress in rebuilding reserves following the deficits of FY23 and FY24, with the FY25 surplus contributing significantly to this recovery. The strategy and budget approved for FY26 projects a further surplus, which would bring free reserves closer to target levels.

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

The trustees are committed to rebuilding reserves to appropriate levels whilst ensuring necessary strategic investment to secure long-term sustainability. This careful balancing has been achieved successfully in FY25 and provides confidence for the year ahead.

Plans for Future Periods

The Strategic Framework 2025-2028 provides clear direction for the coming years:

Revenue: Protecting core membership income through a focus on member value and impact demonstration, whilst growing reader donations through improved segmentation and engagement. Grant funding will be pursued where aligned to mission, particularly around public understanding of science, climate and democratic resilience. Universal Impact offers significant growth potential through expanded commercial services.

Audience: Shifting emphasis from reach to retention through newsletter growth, improved on-site experience and content formats designed for loyal, engaged audiences. Climate coverage will be strengthened as a priority area where academic expertise can drive public understanding and behaviour change.

Capabilities: Investment in people and systems, including staff development, essential tools for audience insight, and appropriate use of AI to improve efficiency whilst maintaining editorial standards. Organisational practices will be updated to support innovation and audience focus.

Global Network: Contributing leadership to network-wide initiatives where they deliver clear value to UK stakeholders, whilst ensuring The Conversation UK remains focused on our members and mission.

Structure, Governance and Management

Governing Document

The charity is a company limited by guarantee (company number 08158264), incorporated on 26 July 2012 and registered with the Charity Commission for England and Wales (1151436) and the Office of the Scottish Charity Regulator (SC044707). The company is governed by its Articles of Association. In the event of winding up, members are required to contribute an amount not exceeding £1.

Board of Trustees

The trustees, who also serve as directors for company law purposes, meet at least quarterly and maintain oversight through committees covering Finance and General Purposes, Remuneration, and Editorial Standards.

Trustees are generally recruited through open advertisement managed by the Nominations Committee. New trustees receive comprehensive induction covering the charity's mission, finances, editorial standards and regulatory requirements. Planning is currently underway for a board effectiveness review to ensure we have the right mix of skills and representation.

Day-to-day management is delegated to the Chief Executive Officer (Chris Waiting). The Editor (Stephen Khan) manages editorial content decisions, with the Editorial Board providing independent oversight of content standards and complaints.

Professor Nishan Canagarajah stepped down as trustee and chair at the end of 2025 after five years. Trustees and staff are grateful for his contribution to the organisation. Open recruitment for his successor is underway, with Dr David Levy acting as chair in the interim.

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

Related Parties

The charity operates as part of The Conversation's global network and pays an annual licence fee (11% of prior year costs) to The Conversation Media Group Ltd (Australia) for use of the brand and technology platform.

Several trustees have connections to member universities or grant funders, managed through the Register of Interests with appropriate abstention from related decisions. The Board considers these connections beneficial as they provide valuable sector insight.

Universal Impact Ltd is wholly owned by the charity and operates under oversight of a subset of trustees, with quarterly updates to the board of trustees to ensure all commercial activity aligns with charitable objects.

Risk Management

The trustees maintain a risk register reviewed by the Finance and General Purposes Committee. Principal risks and mitigation strategies include:

Loss of core funding: The charity demonstrates clear value to members through enhanced analytics and impact reporting, whilst diversifying income through donations, grants and Universal Impact.

Technology platform issues: Regular engagement with technology providers maintains good relationships, with contingency planning for alternatives if required.

Reputational damage: Rigorous editorial standards, external legal review of sensitive stories, and independent Editorial Board oversight protect reputation and trust.

Audience decline: The Strategic Framework addresses changing discovery and engagement patterns through investment in newsletters, audio formats and direct audience relationships rather than over-reliance on search and social platforms.

Staffing challenges: Competitive remuneration, professional development and open management culture support recruitment and retention of skilled staff.

Regulatory compliance: Specialist advisers support compliance with charity law, company law, data protection and employment regulations.

The trustees are satisfied that effective systems are in place to monitor and manage these and other operational risks.

Going Concern

The trustees have assessed whether the use of the going concern basis is appropriate, considering the charity's financial position, forecast performance, and principal risks for at least twelve months from the date of approval of these financial statements.

The charity returned to surplus in FY25, with net assets of £678,000, cash holdings of £1.3 million, and diversified income streams including long-term membership agreements, repeat grant funding and growing donations. The FY26 budget projects continued surplus.

Whilst the trustees recognise continuing uncertainty in the UK higher education sector, membership has remained stable through recent challenging conditions, retention efforts have been strengthened, and income diversification reduces over-reliance on any single source.

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

On this basis, the trustees have concluded that the charity has adequate resources to continue in operational existence for at least twelve months from approval of these financial statements. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

Auditors

Following a competitive tender process in line with good governance practice, Nyman Libson Paul LLP were appointed as auditors with effect from the year ended 31 July 2025. The trustees thank Moore Kingston Smith LLP for their service in previous years.

Small Company Provisions

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Statement of Trustees' Responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law 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 Group and the Company and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the 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 Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:

David A L Levy

Dr David Anthony Lipton Levy
Acting Chair

Date: 25.02.2026

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CONVERSATION TRUST (UK) LIMITED

Opinion

We have audited the financial statements of The Conversation Trust (UK) Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 July 2025 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, Charities Act 2011, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent charitable company'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 Trustees with respect to going concern are described in the relevant sections of this report.

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CONVERSATION TRUST (UK)
LIMITED (CONTINUED)**

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CONVERSATION TRUST (UK)
LIMITED (CONTINUED)**

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 Auditors' 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 is detailed below:

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

- the nature of the industry and sector, control environment and business performance;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charitable company's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
 - the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in relation to timing of income recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CONVERSATION TRUST (UK)
LIMITED (CONTINUED)**

We also obtained an understanding of the legal and regulatory frameworks that the charitable company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and Charities Act.

In addition, we considered other laws and regulations that could have an effect on the company and result in the imposition of financial or other penalties and litigation. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

All matters in relation to non-compliance with laws and regulations and potential fraud risks were communicated to all members of the engagement team and we remained alert to any indications of non-compliance throughout the audit.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- assessing the appropriateness and where appropriate with third parties concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and correspondence with HMRC;
- in addressing the risk of fraud through management override of controls, reviewing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and
- evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. 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 the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE CONVERSATION TRUST (UK)
LIMITED (CONTINUED)**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Thomas (Senior Statutory Auditor)

for and on behalf of
Nyman Libson Paul LLP

Chartered Accountants

124 Finchley Road

London

NW3 5JS

Date: 10 March 2026

Nyman Libson Paul LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2025**

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations:	3				
Grants and donations		438,197	407,009	845,206	651,046
Membership subscriptions		1,607,924	-	1,607,924	1,511,077
Gifts in kind		19,322	-	19,322	-
Trading income	4	191,460	-	191,460	85,519
Bank interest		14,971	-	14,971	1,164
Other charitable income	5	24,957	-	24,957	31,205
Total income		<u>2,296,831</u>	<u>407,009</u>	<u>2,703,840</u>	<u>2,280,011</u>
Expenditure on:					
Raising funds	6	12,442	-	12,442	-
Charitable activities	7	2,172,744	318,219	2,490,963	2,517,060
Total expenditure		<u>2,185,186</u>	<u>318,219</u>	<u>2,503,405</u>	<u>2,517,060</u>
Net income/(expenditure)		<u>111,645</u>	<u>88,790</u>	<u>200,435</u>	<u>(237,049)</u>
Transfers between funds	15	36,565	(36,565)	-	-
Net movement in funds		<u>148,210</u>	<u>52,225</u>	<u>200,435</u>	<u>(237,049)</u>
Reconciliation of funds:					
Total funds brought forward		280,426	197,563	477,989	715,038
Net movement in funds		148,210	52,225	200,435	(237,049)
Total funds carried forward		<u>428,636</u>	<u>249,788</u>	<u>678,424</u>	<u>477,989</u>

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08158264

CONSOLIDATED BALANCE SHEET
AS AT 31 JULY 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	11	5,125	5,876
		5,125	5,876
Current assets			
Debtors	13	599,579	225,387
Cash at bank and in hand		1,307,262	1,003,183
		1,906,841	1,228,570
Current liabilities			
Creditors: amounts falling due within one year	14	(1,233,542)	(756,457)
Net current assets		673,299	472,113
Total assets less current liabilities		678,424	477,989
Total net assets		678,424	477,989
Charity funds			
Restricted funds	15	249,788	197,563
Unrestricted funds	15	428,636	280,426
Total funds		678,424	477,989

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

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

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

David A L Levy
Dr David Anthony Lipton Levy
Acting Chair

Date: 25.02.2026

The notes on pages 18 to 34 form part of these financial statements.

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08158264

COMPANY BALANCE SHEET
AS AT 31 JULY 2025

	Note	2025 £	2024 (as restated) £
Fixed assets			
Tangible assets	11	4,542	5,876
Investments	12	1	1
		<u>4,543</u>	<u>5,877</u>
Current assets			
Debtors	13	564,332	225,387
Cash at bank and in hand		1,268,765	1,003,183
		<u>1,833,097</u>	<u>1,228,570</u>
Current liabilities			
Creditors: amounts falling due within one year	14	(1,156,909)	(756,458)
		<u>676,188</u>	<u>472,112</u>
Net current assets		<u>676,188</u>	<u>472,112</u>
Total assets less current liabilities		<u>680,731</u>	<u>477,989</u>
Total net assets		<u><u>680,731</u></u>	<u><u>477,989</u></u>
Charity funds			
Restricted funds	15	249,788	197,563
Unrestricted funds	15	430,943	280,426
Total funds		<u><u>680,731</u></u>	<u><u>477,989</u></u>

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08158264

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 JULY 2025

The Company's net movement in funds for the year was £202,742 (2024 - £(237,049)).

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

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

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

David A L Levy
Dr David Anthony Lipton Levy
Acting Chair

Date: 25.02.2026

The notes on pages 18 to 34 form part of these financial statements.

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2025

	2025 £	2024 £
Cash flows from operating activities		
Net cash used in operating activities	308,542	5,281
	<hr/>	<hr/>
Cash flows from investing activities		
Purchase of tangible fixed assets	(4,463)	(3,372)
	<hr/>	<hr/>
Net cash used in investing activities	(4,463)	(3,372)
	<hr/>	<hr/>
Change in cash and cash equivalents in the year	304,079	1,909
Cash and cash equivalents at the beginning of the year	1,003,183	1,001,274
	<hr/>	<hr/>
Cash and cash equivalents at the end of the year	<u>1,307,262</u>	<u>1,003,183</u>

The notes on pages 18 to 34 form part of these financial statements

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

1. General information

The Conversation Trust (UK) Limited (the 'Trust') is a charitable company limited by guarantee, incorporated in England & Wales. The liability of each member in respect of guarantee is limited to £1. Its registered office is Shropshire House (4th Floor), 11-20 Capper Street, London, England, WC1E 6JA.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Conversation Trust (UK) Limited 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.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2.2 Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. The trustees are able to reliably forecast a high proportion of pipeline income by reviewing annual memberships and repeated or multi-year grants. On the basis of such forecasts the trustees have concluded that the company has adequate resources to continue in operational existence for at least twelve months from the approval of the financial statements. The charitable company therefore continues to adopt the going concern basis in preparing the financial statements.

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

2. Accounting policies (continued)

2.3 Income

All income is included in the Statement of Financial Activities when the Trust is entitled to the income and the amount can be quantified with reasonable accuracy.

Income received in advance is deferred where it would be repayable if conditions are not met in the future.

Income in relation to the 100% owned subsidiary is included within other trading activities. This represents consultancy income earned during the year, exclusive of VAT. Revenue is recognised when the service is delivered and the outcome can be reliably measured.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.4 Gifts in kind

Where services are provided to the charity as a donation that would normally be purchased from suppliers, this contribution is included in the financial statements as an estimate based on the value of the contribution to the charity. Donated services relating to rent and utilities are disclosed in note 3.

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives are as follows:

Computer equipment	- 3 years
--------------------	-----------

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the statement of financial position date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 Debtors

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

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments.

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

2.12 Financial instruments

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

2.13 Pensions

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

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

2. Accounting policies (continued)

2.14 Fund accounting

Unrestricted funds arise from grants and donations provided for unrestricted purposes and from accumulated surpluses and deficits in the operations for charitable purposes and are expendable at the discretion of the trustees.

Designated funds have been designated for a particular purpose by the trustees.

Restricted funds arise from contributions made for specific purposes and are expended in accordance with these purposes.

3. Income from grants and donations

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Grants				
International Public Policy Observatory (IPPO)	-	-	-	52,506
The Commission for Tertiary Education and Research (HEFCW)	-	45,833	45,833	50,000
UK Research and Innovation (UKRI)	-	355,045	355,045	271,837
The Conversation Canada	15,000	-	15,000	-
European Journalism	-	6,131	6,131	-
ISRF	-	-	-	5,000
Other grants	68,086	-	68,086	-
	<u>83,086</u>	<u>407,009</u>	<u>490,095</u>	<u>379,343</u>
Donations	355,111	-	355,111	271,703
Membership subscriptions	1,607,924	-	1,607,924	1,511,077
Gifts in kind	19,322	-	19,322	-
	<u>2,065,443</u>	<u>407,009</u>	<u>2,472,452</u>	<u>2,162,123</u>
Total 2025	<u>2,065,443</u>	<u>407,009</u>	<u>2,472,452</u>	<u>2,162,123</u>
Total 2024	<u>1,835,286</u>	<u>326,837</u>	<u>2,162,123</u>	

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

4. Income from trading activities

Income from non charitable trading activities

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Provision of training and consultancy services	191,460	191,460	85,519
	<u>191,460</u>	<u>191,460</u>	
Total 2024	<u>85,519</u>	<u>85,519</u>	

5. Other incoming resources

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Content partnership income	24,957	24,957	31,205
	<u>24,957</u>	<u>24,957</u>	<u>31,205</u>

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

6. Expenditure on raising funds

Other trading expenses

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Trading expenses - Universal Impact	12,442	12,442	-

7. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £	Total funds 2024 £
Public learning	2,298,264	192,699	2,490,963	2,517,060

Analysis of direct costs

	Public Learning 2025 £	Total funds 2025 £	Total funds 2024 £
Staff costs	2,047,381	2,047,381	2,070,842
Other direct costs	250,883	250,883	217,216
	<u>2,298,264</u>	<u>2,298,264</u>	<u>2,288,058</u>

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Public Learning 2025 £	Total funds 2025 £	Total funds 2024 £
Depreciation	4,545	4,545	7,229
Office costs	71,070	71,070	71,983
Legal and professional fees	38,516	38,516	24,492
Insurance	3,954	3,954	5,691
Interest paid and bank charges	6,755	6,755	3,913
Travel	29,784	29,784	33,048
Bad debt expense	(4,269)	(4,269)	4,269
Marketing	11,620	11,620	33,763
Governance costs	30,724	30,724	44,614
	<u>192,699</u>	<u>192,699</u>	<u>229,002</u>
Total 2024	<u>229,002</u>	<u>229,002</u>	

8. Auditors' remuneration

	2025 £	2024 £
Fees payable to the Company's auditor for the audit of the Company's annual accounts	13,000	21,667
Fees payable to the Company's auditor in respect of: All non-audit services not included above	<u>500</u>	<u>1,000</u>

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

9. Staff costs

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Wages and salaries	1,737,772	1,758,390	1,737,772	1,758,390
Social security costs	182,273	182,152	182,273	182,152
Contribution to defined contribution pension schemes	127,336	130,300	127,336	130,300
	<u>2,047,381</u>	<u>2,070,842</u>	<u>2,047,381</u>	<u>2,070,842</u>

The average number of persons employed by the Company during the year was as follows:

	Group 2025 No.	Group 2024 No.	Company 2025 No.	Company 2024 No.
Employees	<u>39</u>	<u>39</u>	<u>39</u>	<u>39</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2025 No.	Group 2024 No.
In the band £60,001 - £70,000	1	-
In the band £70,001 - £80,000	1	2
In the band £100,001 - £110,000	2	2

Key management personnel includes the trustees, Chief Executive (and three senior staff reporting directly to the Chief Executive). The total employee benefits of the charity's key management personnel were £414,260 (2024: £420,178). No trustee received any remuneration as part of this figure. Total pension payments included in this amount were £27,398 (2024: £27,928).

10. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 July 2025, travel and subsistence expenses totalling £2,228 were reimbursed or paid directly to one Trustee (2024: £82 to one Trustee).

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

11. Tangible fixed assets

Group

	Computer equipment £
Cost or valuation	
At 1 August 2024	31,941
Additions	4,463
Disposals	(2,145)
At 31 July 2025	<u>34,259</u>
Depreciation	
At 1 August 2024	26,065
Charge for the year	4,662
On disposals	(1,593)
At 31 July 2025	<u>29,134</u>
Net book value	
At 31 July 2025	<u><u>5,125</u></u>
At 31 July 2024	<u><u>5,876</u></u>

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

11. Tangible fixed assets (continued)

Company

	Computer equipment £
Cost or valuation	
At 1 August 2024	31,941
Additions	3,763
Disposals	(2,145)
At 31 July 2025	<u>33,559</u>
Depreciation	
At 1 August 2024	26,065
Charge for the year	4,545
On disposals	(1,593)
At 31 July 2025	<u>29,017</u>
Net book value	
At 31 July 2025	<u>4,542</u>
At 31 July 2024	<u>5,876</u>

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

12. Fixed asset investments

Company	Investments in subsidiary companies £
Cost or valuation	
At 1 August 2024 (as restated)	1
	<hr/>
At 31 July 2025	1
	<hr/> <hr/>
Net book value	
At 31 July 2025	1
	<hr/>
At 31 July 2024 (as restated)	1
	<hr/> <hr/>

The following was a 100% subsidiary undertaking of the Company and is included in the consolidated financial statements:

Name: Universal Impact Limited

Company number: 13120224

Registered office: Shropshire House (4th Floor), 11-20 Capper Street, London, England, WC1E 6JA

Principal activity: Provision of consultancy services

In the reporting period, the subsidiary had income of £184,867 and expenditure of £187,174. The net loss was £2,307 and the subsidiary had net liabilities of £2,306 at the reporting date.

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

13. Debtors

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Trade debtors	527,529	99,189	477,529	99,189
Amounts owed by group undertakings	-	-	14,753	-
Prepayments and accrued income	72,050	126,198	72,050	126,198
	<u>599,579</u>	<u>225,387</u>	<u>564,332</u>	<u>225,387</u>

14. Creditors: Amounts falling due within one year

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 (as restated) £
Trade creditors	13,210	46,657	11,280	46,657
Amounts owed to group undertakings	-	-	1	1
Other taxation and social security	54,934	46,641	46,091	46,641
Other creditors	16,720	181,596	16,720	181,596
Accruals and deferred income	1,148,678	481,563	1,082,817	481,563
	<u>1,233,542</u>	<u>756,457</u>	<u>1,156,909</u>	<u>756,458</u>

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Deferred Membership Income				
at 1 August 2024	440,549	502,032	440,549	502,032
Resources deferred during the year	1,627,246	1,340,365	1,627,246	1,340,365
Amounts released from previous periods	(1,038,722)	(1,401,848)	(1,038,722)	(1,401,848)
at 31 July 2025	<u>1,029,073</u>	<u>440,549</u>	<u>1,029,073</u>	<u>440,549</u>

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

15. Statement of funds

Statement of funds - current year

	Balance at 1 August 2024 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2025 £
Unrestricted funds					
General Funds - all funds	280,426	2,296,831	(2,185,186)	36,565	428,636
Restricted funds					
(b) Independent Social Research Foundation	1,169	-	-	(1,169)	-
(b) UK Research and Innovation	153,143	355,045	(271,083)	-	237,105
(b) The Commission for Tertiary Education and Research (HEFCW)	7,855	45,833	(41,849)	-	11,839
(b) Internation Public Policy Observatory (IPPO)	35,396	-	-	(35,396)	-
(a) European Journalism	-	6,131	(5,287)	-	844
	<u>197,563</u>	<u>407,009</u>	<u>(318,219)</u>	<u>(36,565)</u>	<u>249,788</u>
Total of funds	<u><u>477,989</u></u>	<u><u>2,703,840</u></u>	<u><u>(2,503,405)</u></u>	<u><u>-</u></u>	<u><u>678,424</u></u>

Purposes of restricted funds

- (a) The charity received a grant to report on specific topical events.
(b) The charity received a grant to fund a specific role.

Transfers

Funds brought forward on completed projects were amalgated with unrestricted funds on the basis the projects were complete, fully invoiced and no funds were repayable to the funder.

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

15. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 August 2023 £	Income £	Expenditure £	Balance at 31 July 2024 £
Unrestricted funds				
General Funds - all funds	530,540	1,953,174	(2,203,288)	280,426
	<u>530,540</u>	<u>1,953,174</u>	<u>(2,203,288)</u>	<u>280,426</u>
	Balance at 1 August 2023 £	Income £	Expenditure £	Balance at 31 July 2024 £
Restricted funds				
(b) Independent Social Research Foundation	-	5,000	(3,831)	1,169
(b) UK Research and Innovation	149,102	271,837	(267,796)	153,143
(b) The Commission for Tertiary Education and Research (HEFCW)	-	50,000	(42,145)	7,855
(b) Internation Public Policy Observatory (IPPO)	35,396	-	-	35,396
	<u>184,498</u>	<u>326,837</u>	<u>(313,772)</u>	<u>197,563</u>
Total of funds	<u><u>715,038</u></u>	<u><u>2,280,011</u></u>	<u><u>(2,517,060)</u></u>	<u><u>477,989</u></u>

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	5,125	-	5,125
Current assets	1,657,053	249,788	1,906,841
Creditors due within one year	(1,233,542)	-	(1,233,542)
Total	<u>428,636</u>	<u>249,788</u>	<u>678,424</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	5,876	-	5,876
Current assets	1,031,007	197,563	1,228,570
Creditors due within one year	(756,457)	-	(756,457)
Total	<u>280,426</u>	<u>197,563</u>	<u>477,989</u>

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

17. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2025 £	Group 2024 £
Net income/expenditure for the year (as per Statement of Financial Activities)	200,435	(237,049)
Adjustments for:		
Depreciation charges	4,662	7,229
Loss on the sale of fixed assets	552	370
Decrease/(increase) in debtors	(374,192)	305,087
Increase/(decrease) in creditors	477,085	(70,356)
Net cash provided by operating activities	308,542	5,281

18. Analysis of cash and cash equivalents

	Group 2025 £	Group 2024 £
Cash in hand	1,307,262	1,003,183
Total cash and cash equivalents	1,307,262	1,003,183

19. Analysis of changes in net debt

	At 1 August 2024 £	Cash flows £	At 31 July 2025 £
Cash at bank and in hand	1,003,183	304,079	1,307,262
	1,003,183	304,079	1,307,262

THE CONVERSATION TRUST (UK) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

20. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents to the fund and amounted to £127,336 (2024: £130,300). Contributions totalling £16,720 (2024: £18,044) were payable by the charity at the balance sheet date and included in other creditors.

21. Limited liability

The company is limited by guarantee and has no share capital. In the event of it winding up, the liability of each member is limited to £1.

22. Prior year adjustments

A prior period adjustment has been made to account for the £1 investment in subsidiary Universal Impact and corresponding £1 share capital payable. Historically the subsidiary has been dormant, but began trading in the reporting period.

23. Related party transactions

During the year, zero (2024: one) trustees made donations to The Conversation Trust (UK) Limited (2024: £20).

Dr David Levy is on the board of the Conversation Media Group which is the sister company of the charity operating in Australia and chairs its international subcommittee. The Conversation Trust (UK) pay a license fee to the Conversation Media Group for its use of the brand £168,729 (2024: £151,835).

Professor Nishan Canagarajah works for the University of Leicester, Einar Thorsen works for Bournemouth University, Diana Beech works for City St. George, Matt Walsh works for Cardiff University, Kavita Reddi works for University of London, Colleen Murrel works for Dublin City University and Kirsty Walker works for University College London, all of which are members of The Conversation.

David Sweeney performs consulting works for 3 of our member universities - Birmingham, Liverpool and Aberdeen and 2 of our grant providers UKRI & MEDR (formally HEFCW).

During the year, management and payroll costs of £174,732 (2024: £0) were recharged to subsidiary Universal Impact. At the reporting date, £14,753 (2024: £0) was due from Universal Impact to the charity.

THE CONVERSATION TRUST (UK) LIMITED

England & Wales - Charity number 1151436

Accounts

THE CONVERSATION TRUST (UK) LIMITED
(Company Limited by Guarantee)

Company Number: 08158264

Registered Charity Number in England and Wales: 1151436

Registered Charity Number in Scotland: SC044707

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST JULY 2024

The Conversation Trust (UK) Limited

CONTENTS

	<i>Page</i>
Trustees' Annual Report	2 - 7
Independent Auditor's Report	8-12
Balance Sheet	13
Statement of Financial Activities	14
Statement of Cash Flows	15
Notes to the Financial Statements	16-22

The Conversation Trust (UK) Limited

Report of the Trustees for the year ended 31st July 2024

The Conversation Trust (UK) Limited (the 'Trust') is a charitable company limited by guarantee and incorporated as Company number 08158264 on 26 July 2012 and listed on the Central Register of Charities (England and Wales) under Charity number 1151436. The charitable company registered with the Office of the Scottish Charity Regulator on 3 March 2014 (SC044707).

The Trust was established under, and is governed by, its Articles of Association. The directors of the Trust are its trustees for the purposes of charity law and throughout this report are collectively referred to as 'the trustees'.

As set out in the Articles of Association, the trustees, who shall number not less than three, may be appointed for such terms as thought fit by the trustees.

Reference and administrative information

Trustees	Professor Nishan Canagarajah - Chair Nicholas John Eldred - resigned 16 May 2024 Dr David Anthony Lipton Levy Katharine Louise Metzler Diana Beech Emily Anne Bunting Vivienne Mary Hunt Parry Kavita Reddi Matthew Peter Walsh Professor David Gordon Sweeney Kirsty Walker Rachel Ann Walker – appointed 1 March 2024 Professor Einar Thorsen – appointed 1 March 2024 Professor Julie Christina Sanders – appointed 1 March 2024
Editor Chief Executive Officer	Stephen Khan Chris Waiting
Registered Office	Shropshire House Capper Street London WC1E 6JA
Auditors	Moore Kingston Smith LLP 6th Floor 9 Appold Street London EC2A 2AP
Bankers	Co-operative Bank P.O. Box 250 Delf House Southway Skelmersdale WN8 6WT
Solicitors	Farrer & Co LLP 66 Lincoln's Inn Fields London WC2A 3LH

The Conversation Trust (UK) Limited

Report of the Trustees for the year ended 31st July 2024

The trustees present their report along with the financial statements of the Trust for the year ended 31st July 2024.

The financial statements comply with statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities and have been prepared in accordance with Companies Act 2006 and Charities Act 2011.

Objects, Objectives, Governance and Management

The Objects of the Charity are to promote for the public benefit the advancement of education, including the provision of a platform for the creation, aggregation and communication of news and information services relating to the knowledge industries and the communication of all academic disciplines and their benefits as broadly as possible to enrich society's foundations of knowledge, expertise and solutions.

Activities and Achievements

The financial year ended 31st July 2024 saw The Conversation UK publish 3,852 stories written by 3,536 academics.

Following several years of decline from its 2020/1 peak, readership stabilised in 2024. Stories published by The Conversation UK were read a total of 120 million times in the year ended 31st July 2024, a 1% increase on the prior year. The Reuters Institute for the Study of Journalism at Oxford has extensively documented this trend which has affected all news publishers, highlighting 'news avoidance' and algorithmic changes from Google, Facebook and other platforms steering readers away from news sites. Republication, under our creative commons licence remains important, allowing our stories to reach new audiences. Partnerships, such as those with Reuters, the Press Association and Reach, encourage smaller, local news outlets to make use of our content, helping both to sustain their readership, and connecting those communities to local universities.

Despite this stabilisation, The Conversation network is continuing its strategy to focus less on pure reach and more on engagement and the impact on our journalism. Several pilot projects are underway to define and measure the way our output drives change in the real world.

As with many news organisations, we are mindful of the impact of AI, both as a tool and as a platform through which content is discovered by readers. As a publication founded on expertise and authenticity, we cannot allow generative AI to misrepresent research and have introduced policies to require that no unlabelled AI generated content can appear on site. There may be opportunities to licence our content to train AI models, which, if they are correctly attributed, would still help the public to engage with research. More broadly, with search engines using more AI summaries in results, we should expect fewer readers finding us through search, underscoring the need to deepen our connections with existing readers on site and through newsletters and podcasts.

Membership remains stable, with several new and returning members signing up, alongside a small number of leavers. We are aware that the UK higher education sector remains braced for a challenging period and so continue to look to diversify our income. However, we believe membership continues to provide enormous value to the institutions we work with, and membership continues to be our core funding stream.

While The Conversation's journalism will always remain free to read and republish, we are grateful that an increasing number of readers are donating to support our work. In the year ended 31st July 2024 we received almost £238k from four and a half thousand readers (excluding gift aid), an 12% increase on the year before, with more than half now donating monthly. In the coming years we intend to strengthen our relationship with these 'Friends of The Conversation' and encourage more of our regular readers to contribute to support our journalism. This year we have produced several eBooks, available only to donors as a reward for their support.

The Conversation Trust (UK) Limited

Report of the Trustees for the year ended 31st July 2024

The year saw several new appointments to the Board of Trustees, as several long serving board members stepped down. Together with the executive, a new strategic plan is in development, establishing our priorities for the next three years. We are grateful to the Trustees who have left the board over the last 12 months for their work throughout their terms.

We continue to work closely with the other editions of the Conversation around the world, looking for opportunities for greater impact and improved efficiency.

Public Benefit

As required by the Charities Act 2011, the trustees have referred to the Charity Commission's general guidance on public benefit when setting up the Trust. The trustees will have due regard to the Charity Commission's general guidance on public benefit when making grants in future. In shaping our objectives for the year and planning our activities, the trustees have also considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

Financial Review

During the period, The Conversation received total income of £2.3m for use by the charity in pursuing its charitable objects. As per the Statement of Financial Activities on page 13 this resulted in a loss for the year of £237k.

This loss reflects a period of transition as we invest in our commercial subsidiary, Universal Impact, and new products, as well as some project overspend within the year. Trustees have already reduced costs to ensure we return to surplus in the current financial year, while future budgets will ensure reserves are rebuilt and we have sufficient resources to face the uncertain period ahead.

A prior year adjustment has been made to reflect the overstatement of the gift aid accrued income in the prior year. The income had been received and not adjusted on receipt of funds. As a result, debtors, donations and unrestricted funds alongside the net surplus/(losses) have been restated for 2023.

Risk Management

1. Universities are not prepared or able to fund the project:

Even before the pandemic, the Higher Education sector was experiencing considerable external pressure and uncertainty, with their income reliant on international students. Post pandemic, and with student revenue failing to keep pace with inflation, many institutions are reviewing all costs, which could lead to existing members failing to renew while new members prove hard to attract. To mitigate this risk, The Conversation's retention strategy involves a focus on the benefits delivered to members, active monitoring of engagement and targeted increases to staff capacity to meet demand. We are also exploring appropriate diversification of revenue to help us mitigate sectoral shocks. The Conversation will need to show it delivers ongoing value to universities by demonstrating global reach and impact, especially as universities fight for foreign students to bolster revenues.

2. Readership collapse:

Breakdown of re-publishing relationships, AI generated summaries and other changes to search algorithms, poor content quality or relevance, or failure in marketing/social media efforts could diminish the power of the project. To mitigate this, normal editorial processes ensure that content is of a consistently high quality. We actively engage with republishers to help our stories reach a wider audience and encourage regular readers to sign up for our newsletters.

The Conversation Trust (UK) Limited

Report of the Trustees for the year ended 31st July 2024

3. Staffing problems:

Difficulty in attracting or retaining staff could make the editorial product difficult to deliver. This is mitigated by fostering an open and approachable management style allowing problems to be raised at an early stage and encouraging staff growth. Achievement is rewarded where appropriate.

4. Editorial issues:

TCUK's model depends on high quality content written by experts, so our stories are lower risk than other news outlets. To mitigate, we follow journalism best-practice, all editors receive training from media law experts, and potentially higher risk stories receive external legal scrutiny. A review of TCUK's complaints process was recently conducted on behalf of its Editorial Board.

5. Office Health & Safety:

An employee could be injured onsite or when working offsite. To mitigate, employer's liability insurance is up-to-date, staff are trained as fire marshals and health and safety officers as appropriate, and trained emergency first-aiders available onsite. The Health & Safety risk-assessment will continue to be kept up-to-date and actioned appropriately.

Future Plans

The Conversation has attracted most research-intensive UK universities as members. Future plans will focus on the value delivered to member institutions and the impact delivered by our journalism. Trust, Foundation and public (donation) funding will be explored further but will remain secondary to membership revenue. We will continue to support the UK Higher Education sector through the challenges it faces – helping them engage with the public, to demonstrate the value of research, and helping that research reach new audiences. In the longer term, our commercial subsidiary, Universal Impact, will help us broaden the ways we work with research institutions, providing additional income to support our core charitable mission.

Remuneration Policy

Salaries are benchmarked against similar organisations with final sign off being made by the Remuneration Committee of the Board of Trustees. The remuneration of the senior management team is set by the Remuneration Committee and consists solely of salary and employer pension contributions, with no additional benefits, bonuses, or enhancements beyond those available to all staff.

Reserves Policy

Unrestricted funds totalled £280,426 as at 31 July 2024 (2023: £530,540). Restricted funds totalled £197,563 as at 31 July 2024 (2023: £184,498). Free reserves (unrestricted general funds minus fixed assets) of the charity at 31st July 2024 were £275k, below its current target of four months outgoings.

The Trustees keep the charity's reserves policy and adherence under review to ensure it strikes an appropriate balance between safeguarding against financial risks and future uncertainties, while also enabling investment in the charity's operations and growth.

The Conversation Trust (UK) Limited

Report of the Trustees for the year ended 31st July 2024

Going concern

The directors have assessed whether the use of the going concern basis is appropriate and have consider possible events or conditions that might cast significant doubt on the ability of the company to continue as a going concern. The directors have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the directors have considered the company's forecast and projections and have taken account of the challenging environment for the UK Higher Education sector. On this basis the directors have concluded that The Conversation has adequate resources to continue in operational existence for at least twelve months from the approval of the financial statements. The Conversation therefore continues to adopt the going concern basis in preparing its financial statements.

Appointment of new trustees

Potential Trustees are proposed to or approached by The Conversation's Nominations committee, with vacancies publicly advertised. Recommendations are then put to the Board of Trustees to vote on. The executive officers are responsible for training Trustees and making them aware of their responsibilities. The Board of Trustees maintains a skills matrix of current members. When recruiting new Trustees, the Board aims to maintain a balance of skills and backgrounds to ensure a diverse mix of people.

The Conversation Trust (UK) Limited

Report of the Trustees for the year ended 31st July 2024

Auditors

Moore Kingston Smith LLP have served as the charity's auditors during the year and are reappointed. However in line with good governance practice, the trustees intend to carry out a re-tendering process for audit services in the coming year. A decision on the appointment of auditors for the ensuing year will be made following that process.

Statement of trustees' responsibilities

The trustees (who are also directors of The Conversation Trust (UK) Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

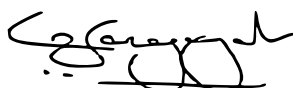
The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, Charities and Trustee Investment (Scotland) Act 2005 and Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

- In so far as the trustees are aware:
there is no relevant audit information of which the charitable company's auditor is unaware;
and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report has been prepared in accordance with the special provisions relating to small entities within Part 15 of the Companies Act 2006.

Approved by the Trustees on:

and signed on their behalf by:



Professor Nishan Canagarajah (Chair)

Date: 23rd April 2025

The Conversation Trust (UK) Limited

Independent Auditors Report to the trustees of The Conversation Trust (UK) Limited

Opinion

We have audited the financial statements of The Conversation Trust (UK) for the year ended 31 July 2024 which comprises the Statement of Financial Activities, the Balance Sheet, the 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 FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended) and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

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 financial statements section of our report. We are independent of the charitable company 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 group's and parent charitable company'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

The Conversation Trust (UK) Limited

Independent Auditors Report to the trustees of The Conversation Trust (UK) Limited

"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 our audit:

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual 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 charitable company 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 where the Companies Act 2006 requires us to report to you if, in our opinion:

- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the from preparing a Strategic Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

The Conversation Trust (UK) Limited

Independent Auditors Report to the trustees of The Conversation Trust (UK) Limited

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report to you in accordance with regulations made under those Acts.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The Conversation Trust (UK) Limited

Independent Auditors Report to the trustees of The Conversation Trust (UK) Limited

Explanation as to what Extent the Audit was Considered Capable of Detecting Irregularities, Including Fraud

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 is detailed below.

"The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company"

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- " We obtained an understanding of how the charitable company complies with these requirements by discussions with
- management and those charged with governance."
- "We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement
- due to fraud and how it might occur, by holding discussions with management and those charged with governance."
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

**The Conversation Trust (UK) Limited
Independent Auditors Report to the trustees of The Conversation
Trust (UK) Limited**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the company'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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Date: 24th April 2025

Shivani Kothari (Senior Statutory Auditor)
For and on behalf of Moore Kingston Smith LLP

9 Appold Street
London EC2A 2AP

The Conversation Trust (UK) Limited
Balance Sheet for the year ended 31st July 2024

	Note	2024	2024	2023	2023
		£	£	£ As restated	£ As restated
Fixed assets					
Tangible fixed assets	7		5,876		10,103
Current Assets					
Debtors	8	225,387		366,922	
Cash at bank and in hand		<u>1,003,183</u>		<u>1,001,274</u>	
		1,228,570		1,368,196	
Creditors: Amounts falling due within one year	9	<u>756,457</u>		<u>663,261</u>	
Net Current Assets			<u>472,113</u>		<u>704,935</u>
Total assets less current liabilities			477,988		715,038
Net assets			<u><u>477,989</u></u>		<u><u>715,038</u></u>
Funds					
Unrestricted funds					
General Funds	10		280,426		530,540
Restricted funds	11		<u>197,563</u>		<u>184,498</u>
Total			<u><u>477,989</u></u>		<u><u>715,038</u></u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved and authorised for issue by the Board on 23rd April 2025

Signed on their behalf by:


.....

Professor Nishan Canagarajah
Trustee
Company Number 08158264

The Conversation Trust (UK) Limited
Statement of Financial Activity for the year ended 31st July 2024

	Notes	Unrestricted Funds	Restricted Funds	2024 Total Funds	2023 Total Funds As Restated
		£	£	£	£
Income from:					
Donations					
Grants and donations	2	324,209	326,837	651,046	756,409
Membership subscriptions		1,511,077	-	1,511,077	1,440,966
Gifts in Kind	3	-	-	-	18,000
Other income					
Other charitable income		31,205	-	31,205	49,389
Trading income		85,519	-	85,519	33,445
Bank Interest		1,164	-	1,164	-
Total		<u>1,953,174</u>	<u>326,837</u>	<u>2,280,011</u>	<u>2,298,209</u>
Expenditure on:					
Charitable Activities					
Advancement of education	5	2,203,288	313,772	2,517,060	2,297,905
Raising Funds					
Trading costs		-	-	-	122,304
Total		<u>2,203,288</u>	<u>313,772</u>	<u>2,517,060</u>	<u>2,420,209</u>
Net income	4	(250,114)	13,065	(237,049)	(122,000)
Transfers between funds		-	-	-	-
Net movement in funds		(250,114)	13,065	(237,049)	(122,000)
Funds as at 1 August 2023		530,540	184,498	715,038	837,038
Fund balances carried forward as at 31 July 2024	12	<u><u>280,426</u></u>	<u><u>197,563</u></u>	<u><u>477,989</u></u>	<u><u>715,038</u></u>

All activities in the year were attributable to continuing operations.

The accompanying notes form part of these financial statements.

The Conversation Trust (UK) Limited
Statement of Cash Flows for the year ended 31st July 2024

	2024	2023
	£	£
Cash flows from operating activities		
Net cash (used in)/ provided by operating activities	5,281	130,776
Cash flows from investing activities		
Payments to acquire tangible fixed assets	(3,374)	(5,196)
	(3,374)	(5,196)
Net increase/(decrease) in cash and cash equivalents	1,909	125,581
Cash and cash equivalents at beginning of year	1,001,274	875,693
Cash and cash equivalents at end of year	1,003,183	1,001,274

Reconciliation of net income to net cash flow from operating activities

	2024	2023
	£	£
Net income including endowments	(237,049)	(52,620)
Adjustments for:		
Depreciation charges	7,229	9,190
Profit of sale of fixed asset	370	-
Increase in debtors	305,087	10,827
(Decrease)/increase in creditors	(70,356)	163,379
Net cash (used in)/provided by operating activities	5,281	130,776

The Conversation Trust (UK) Limited

Notes to the Financial Statements for the year ended 31st July 2024

1 Accounting Policies

1.1 Basis of preparation of financial statements

These financial statements are prepared on a going concern basis, under the historical cost convention.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP), the Companies Act 2006, the Charities Act 2011 and Charities Accounts (Scotland) Regulations 2006 as amended by The Charities Accounts (Scotland) Amendment (No. 2) Regulations 2014.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest one pound.

The 2023 financial statements have been restated to reflect the overstatement of the gift aid accrued income in the prior year. The income had been received and not adjusted on the receipt of funds. As a result, debtors, donations and unrestricted funds alongside the net surplus/(losses)

1.2 Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. The trustees are able to reliably forecast a high proportion of pipeline income by reviewing annual memberships and repeated or multi-year grants. On the basis of such forecasts the trustees have concluded that the company has adequate resources to continue in operational existence for at least twelve months from the approval of the financial statements. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

1.3 Income

All income is included in the Statement of Financial Activities when the Trust is entitled to the income and the amount can be quantified with reasonable accuracy.

Income received in advance is deferred where it would be repayable if conditions are not met in the future.

1.4 Gifts in kind

Where services are provided to the charity as a donation that would normally be purchased from suppliers, this contribution is included in the financial statements as an estimate based on the value of the contribution to the charity. Donated services and facilities are discussed in note 3.

1.5 Unrestricted funds

These resources arise from grants and donations provided for unrestricted purposes and from accumulated surpluses and deficits in the operations for charitable purposes and are expendable at the discretion of the trustees.

1.6 Designated funds

These funds have been designated for a particular purpose by the trustees.

1.7 Restricted funds

These funds arise from contributions made for specific purposes and are expended in accordance with these purposes.

The Conversation Trust (UK) Limited
Notes to the Financial Statements for the year ended 31st July 2024

2 Grants	Unrestricted £	Restricted £	Total 2024 £	Total 2023 £ As restated
ISRF	-	5,000	5,000	12,500
IPPO	52,506	-	52,506	151,546
HEFCW	-	50,000	50,000	25,000
UK Research and Innovation	-	271,837	271,837	263,919
Stichtin 5 Media	-	-	-	25,247
Other grants	-	-	-	900
Donations	271,703	-	271,703	277,297
	<u>324,209</u>	<u>326,837</u>	<u>651,046</u>	<u>756,409</u>

3 Gifts in Kind

An estimate of the support in kind, based on the value of the contribution to the charity, has been included as a donation and a cost, at amounts summarised below:

	2024 £	2023 £
Rent and utilities	-	18,000

4 Net income

The net income for the year is stated after charging:

	2024 £	2023 £
Auditor's remuneration - audit fee current year	13,800	13,200
Auditor's remuneration - prior year	7,867	-
Other non-audit services	1,000	875

5 Expenditure	Staff Costs	Direct Costs	Support costs	Total 2024
	(note 6)		(note 5a)	
	£	£	£	£
Charitable Activities	2,070,842	217,216	229,002	2,517,060
Public Learning	-	-	-	-
Raising Funds	-	-	-	-
Trading costs	-	-	-	-
	<u>2,070,842</u>	<u>217,216</u>	<u>229,002</u>	<u>2,517,060</u>
	Staff Costs	Direct Costs	Support costs	Total 2023
	(note 6)		(note 5a)	
	£	£	£	£
Charitable Activities	1,830,025	176,623	291,257	2,297,905
Public Learning	-	-	-	-
Raising Funds	-	-	-	-
Trading costs	122,304	-	-	122,304
	<u>1,952,329</u>	<u>176,623</u>	<u>291,257</u>	<u>2,420,209</u>

Staff costs include £344,515 (2023: £222,600) of expenditure funded by restricted grants, see note 11.

The Conversation Trust (UK) Limited
Notes to the Financial Statements for the year ended 31st July 2024

5a Support costs	2024	2023
	£	£
Office costs	71,983	66,441
Legal and professional fees	24,492	53,215
Insurance	5,691	2,677
Interest paid and bank charges	3,913	1,680
Travel	33,048	34,830
Depreciation	7,229	8,890
Bad Debt Expense	4,269	-
Marketing	33,763	80,274
Governance costs	44,614	43,250
	<u>229,002</u>	<u>291,257</u>

6 Staff costs	2024	2023
	£	£
Salaries and wages	1,722,917	1,590,361
Social security costs	182,152	169,827
Employers pension contributions	130,300	120,028
Redundancy Costs	-	18,000
Freelance costs	35,473	54,113
	<u>2,070,842</u>	<u>1,952,329</u>

Zero employee (2023: one) earned between £60,000 - £69,999 in the year.
Two employee (2023: zero) earned between £70,000 - £79,999 in the year.
zero employee (2023: one) earned between £90,001 - £99,999 in the year.
Two employee (2023: one) earned between £100,000 - £110,000 in the year.

Key management personnel includes the trustees, Chief Executive (and three senior staff reporting directly to the Chief Executive). The total employee benefits of the charity's key management personnel were £420,178 (2023: £398,436). No trustee received any remuneration as part of this figure. Total pension payments included in this amount were £27,928 (2023: £26,436).

The average number of employees (including casual and part time staff) during the year was:

	2024	2023
Employees	<u>39</u>	<u>37</u>

The Conversation Trust (UK) Limited
Notes to the Financial Statements for the year ended 31st July 2024

7 Tangible Fixed Assets

		Computer & office equipment £
Cost		
	As at 1 August 2023	50,992
	Additions	3,374
	Disposals	<u>(22,425)</u>
	As at 31 July 2024	<u><u>31,941</u></u>
 Depreciation		
	As at 1 August 2023	40,888
	Charge in year	7,229
	Disposal	<u>(22,053)</u>
	As at 31 July 2024	<u><u>26,065</u></u>
 Net book value		
	As at 31 July 2024	<u><u>5,876</u></u>
	As at 31 July 2023	<u><u>10,103</u></u>

8 Debtors

	2024	2023
	£	£
Trade debtors	103,459	319,959
Provision for Doubtful Debts	(4,269)	-
Prepayments and accrued income	<u>126,198</u>	<u>46,963</u>
	<u><u>225,387</u></u>	<u><u>366,922</u></u>

9 Creditors: Amounts falling due within one year

	2024	2023
	£	£
Trade creditors	46,657	39,752
Accruals and deferred income	481,563	515,232
Other taxation and social security	46,641	92,652
Other debtors	163,552	-
Other creditors	<u>18,044</u>	<u>15,625</u>
	<u><u>756,457</u></u>	<u><u>663,261</u></u>

Deferred income relates to membership for the next financial year

	2024	2023
	£	£
Brought forward	502,032	430,667
Amount added	1,340,365	525,318
Amount released	<u>(1,401,848)</u>	<u>(453,953)</u>
Carried forward	<u><u>440,549</u></u>	<u><u>502,032</u></u>

The Conversation Trust (UK) Limited
Notes to the Financial Statements for the year ended 31st July 2024

10 Unrestricted Funds	As at 1 Aug 23 As Restated £	Income £	Expenditure £	Transfers £	As at 31 Jul 24 As Restated £
General Fund	530,540	1,953,174	(2,203,288)	-	280,426
	As at 1 Aug 22	Income As Restated £	Expenditure £	Transfers £	As at 31 Jul 23
General Fund	709,469	1,845,244	(2,075,694)	51,521	530,540
	As at 1 Aug 23	Income £	Expenditure £	Transfers £	As at 31 Jul 24 £
(b) Independent Social Research Foundation	-	5,000	(3,831)	-	1,169
(b) International Public Policy Observatory (IPPO)	35,396	271,837	(267,796)	-	39,437
(b) HEFCW	-	50,000	(42,145)	-	7,855
(b) UK Research and Innovation	149,102	-	-	-	149,102
	<u>184,498</u>	<u>326,837</u>	<u>(313,772)</u>	<u>-</u>	<u>197,563</u>
	As at 1 Aug 22	Income £	Expenditure £	Transfers £	As at 31 Jul 23 £
(a) United Nations Office for Disaster Risk Reduction	-	-	-	-	-
(b) Independent Social Research Foundation	-	12,500	(12,500)	-	-
(b) International Public Policy Observatory (IPPO)	-	151,546	(64,629)	(51,521)	35,396
(b) HEFCW	-	25,000	(25,000)	-	-
(b) UK Research and Innovation	127,569	263,919	(242,386)	-	149,102
	<u>127,569</u>	<u>452,965</u>	<u>(344,515)</u>	<u>(51,521)</u>	<u>184,498</u>

(a) The charity received a grant to report on specific topical events.

(b) The charity received a grant to fund a specific role.

The Conversation Trust (UK) Limited

Notes to the Financial Statements for the year ended 31st July 2024

12 Analysis of Net Assets between Funds

	2024		
	General	Restricted	Total Funds
	£	£	£
Fund balances at 31st July 2024 represented by:			
Fixed assets	5,876	-	5,876
Net current assets	274,550	197,563	472,113
Total net assets	280,426	197,563	477,989

	2023		
	General	Restricted	Total Funds
	£	£	£
Fund balances at 31st July 2023 represented by:			
Fixed assets	10,103	-	10,103
Net current assets	520,437	184,498	704,935
Total net assets	530,540	184,498	715,038

13 Transactions with Trustees

There was no remuneration paid to the trustees during the period.

One trustees (2023: one) was reimbursed £82 (2023: £509) travel and subsistence expenses in the period.

14 Related party transactions

During the year one trustee (2023: one) made donations of £20 (2022: £50) to The Conversation Trust.

Dr David Levy is on the board of The Conversation Media Group which is the sister company of The Conversation Trust (UK) operating in Australia. The Conversation Trust (UK) pay a license fee to The Conversation Media Group for its use of the brand £151,835 (2023: 91,366). Professor Nishan Canagarajah works for the University of Leicester, Einar Thorsen works for Bournemouth University and Kirsty Walker works for University College London, all of which are members of The Conversation and David Sweeney performs consulting works for 3 of our member universities - Birmingham, Liverpool and Aberdeen and 2 of our grant providers UKRI & MEDR (formally HEFCW).

15 Limited Liability

The company is limited by guarantee and has no share capital. In the event of it winding up the liability of each member is limited to £1.

The Conversation Trust (UK) Limited
Notes to the Financial Statements for the year ended 31st July 2024

16 Prior Period Adjustment

A prior year adjustment has been made in order to reflect the overstatement of the gift aid accrued income in the prior year. The income had been received and not adjusted on the receipt of funds. As a result, debtors, donations and unrestricted funds alongside the net surplus/(losses) have been restated for 2023.

SOFA - Restated

	Per signed accounts 2023 £	Adjustments 2023 £	Restated 2023 £
Grants and donations	825,789	(69,380)	756,409

Balance Sheet - Restated

	Per signed accounts 2023 £	Adjustments 2023 £	Restated 2023 £
Prepayments & Accrued Income	116,343	(69,380)	46,963
Unrestricted funds	599,920	(69,380)	530,540

THE CONVERSATION TRUST (UK) LIMITED

England & Wales - Charity number 1151436

Accounts

THE CONVERSATION TRUST (UK) LIMITED
(Company Limited by Guarantee)

Company Number: 08158264
Registered Charity Number in England and Wales: 1151436
Registered Charity Number in Scotland: SC044707

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JULY 2023

The Conversation Trust (UK) Limited

CONTENTS

	<i>Page</i>
Trustees' Annual Report	1 - 6
Independent Auditor's Report	7 - 10
Statement of Financial Activities	10
Balance Sheet	11
Statement of Cash Flows	12
Notes to the Financial Statements	13 - 19

The Conversation Trust (UK) Limited

Report of the Trustees for the year ended 31st July 2023

The Conversation Trust (UK) Limited (the 'Trust') is a charitable company limited by guarantee and incorporated as Company number 08158264 on 26 July 2012 and listed on the Central Register of Charities (England and Wales) under Charity number 1151436. The charitable company registered with the Office of the Scottish Charity Regulator on 3 March 2014 (SC044707).

The Trust was established under, and is governed by, its Articles of Association. The directors of the Trust are its trustees for the purposes of charity law and throughout this report are collectively referred to as 'the trustees'.

As set out in the Articles of Association, the trustees, who shall number not less than three, may be appointed for such terms as thought fit by the trustees.

Reference and administrative information

Trustees	Professor Nishan Canagarajah - Chair Nicholas John Eldred Dr David Anthony Lipton Levy Katharine Louise Metzler Diana Beech Emily Anne Bunting - appointed 15 September 2022 Vivienne Mary Hunt Parry - appointed 15 September 2022 Kavita Reddi - appointed 15 September 2022 Matthew Peter Walsh - appointed 15 September 2022 Professor David Gordon Sweeney - appointed 1 October 2022 Kirsty Walker - appointed 18 May 2023 Dr Joanna Frances Newman MBE - resigned 1 December 2022 Caroline Agnes Morgan Thomson - resigned 1 December 2022 Michael Spence - resigned 18 May 2023
Chief Executive Officer	Chris Waiting
Registered Office	Shropshire House Capper Street London England WC1E 6JA
Auditors	Moore Kingston Smith LLP 6th Floor 9 Appold Street London EC2A 2AP
Bankers	Co-operative Bank P.O. Box 250 Delf House Southway Skelmersdale WN8 6WT
Solicitors	Farrer & Co LLP 66 Lincoln's Inn Fields London WC2A 3LH

The Conversation Trust (UK) Limited

Report of the Trustees for the year ended 31st July 2023

The trustees present their report along with the financial statements of the Trust for the year ended 31 July 2023.

The financial statements comply with statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities and have been prepared in accordance with Companies Act 2006 and Charities Act 2011.

Objects, Objectives, Governance and Management

The Objects of the Charity are to promote for the public benefit the advancement of education, including the provision of a platform for the creation, aggregation and communication of news and information services relating to the knowledge industries and the communication of all academic disciplines and their benefits as broadly as possible to enrich society's foundations of knowledge, expertise and solutions.

Activities and Achievements

The financial year ended 31 July 2023 saw The Conversation UK mark its 10th anniversary in the UK. We launched in May 2013 with 13 founding member universities and just 7 editors at City, University of London. This was the first expansion of the project beyond its origination in Australia, and represented an important step in demonstrating that there was an appetite for our model of academic-authored journalism around the world.

Over the last 10 years, we have been joined by six further editions of The Conversation (each operating as a non-profit), with further expansion expected in the coming year. We celebrated this anniversary with a number of events, for readers, members and authors, and by hosting a strategy summit for our Conversation colleagues from around the world.

During its first decade, The Conversation published 36 thousand articles, written by 22 thousand different authors, which have been read a combined 1.2 billion times.

As with many news organisations, our readership declined in 2023 from its peak in 2020/1. Stories published by The Conversation was read a total of 120 million times in the year ended July 2023, a 21% decrease on the prior year, which was still benefiting from continued interest in stories relating to the pandemic. The Reuters Institute for the Study of Journalism at Oxford has extensively documented this trend, highlighting both 'covid fatigue' and 'news avoidance' as key drivers. We also know that algorithmic changes from Google, Facebook and other platforms are steering readers away from news sites. Republication, under our creative commons licence remains important, allowing our stories to reach new audiences. Partnerships, such as those with Reuters, the Press Association and Reach, encourage smaller, local news outlets to make use of our content, helping both to sustain their readership, and connecting those communities to local universities.

In response to this trend, which seems likely to continue, The Conversation network is adjusting its strategy, to focus on engagement and the impact of our journalism. More work is required to define and measure the way our output affects things in the real world.

Membership remains stable, with several new and returning members signing up, alongside a small number of leavers. We are aware that the UK higher education sector remains braced for a challenging period and so continue to look to diversify our income. However, we believe membership continues to provide enormous value to the institutions we work with, and membership continues to be our core funding stream.

The Conversation Trust (UK) Limited

Report of the Trustees for the year ended 31st July 2023

While The Conversation's journalism will always remain free to read and republish, we are grateful that a steady number of readers are donating to support our work. In the year ended 31 July 2023 we received more than £222k from over four thousand readers, with more than half now donating monthly. In the coming years we intend to strengthen our relationship with these 'Friends of The Conversation' and encourage more of our regular readers to contribute to support our journalism. This year we have produced several eBooks, available only to donors as a reward for their support. However, as we enter a challenging economic era, we expect the pressures of the cost of living crisis to limit further growth in reader donations.

We are now in the second year of our Research England funded Insights & Applications partnership. This project commissions longer-read stories which can explore topics more fully – and has led to significant coverage in other media. The 'Applications' side considered the ways that research impacts society, ranging from discoveries and innovations developed during the pandemic, to other ways research is shaping the UK economy.

FY23 saw several new appointments to the Board of Trustees, as several long serving board members stepped down. Together with the executive, a new strategic plan is in development, establishing our priorities for the next three years.

We are grateful to the Trustees who have left the board over the last 12 months for their work throughout their terms.

We continue to work closely with the other editions of the Conversation around the world, looking for opportunities for greater impact and improved efficiency.

Public Benefit

As required by the Charities Act 2011, the trustees have referred to the Charity Commission's general guidance on public benefit when setting up the Trust. The trustees will have due regard to the Charity Commission's general guidance on public benefit when making grants in future. In shaping our objectives for the year and planning our activities, the trustees have also considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

Financial Review

During the period, The Conversation received total income of £2.4m for use by the charity in pursuing its charitable objects. As per the Statement of Financial Activities on page 11 this resulted in a small loss for the year of £52k.

This loss reflects a small number of initiatives and one off costs incurred during the year, but is manageable given the reserves built up in recent years. Trustees will look at future budgets to ensure reserves are maintained and we have sufficient resources to face the uncertain period ahead.

The Conversation Trust (UK) Limited

Report of the Trustees for the year ended 31st July 2023

Risk Management

1. Universities are not prepared or able to fund the project:

Even before the pandemic, the Higher Education sector was experiencing considerable external pressure and uncertainty, with their income reliant on international students. Post pandemic, and with student revenue failing to keep pace with inflation, many institutions are reviewing all costs, which could lead to existing members failing to renew while new members prove hard to attract. To mitigate this risk, The Conversation's retention strategy involves a focus on the benefits delivered to members, active monitoring of engagement and targeted increases to staff capacity to meet demand. We are also exploring appropriate diversification of revenue to help us mitigate sectoral shocks. Finally, we have considered a range of options to reduce our costs should a significant number of universities fail to renew. The Conversation will need to show it delivers ongoing value to universities by demonstrating global reach and impact, especially as universities fight for foreign students to bolster revenues.

2. Readership collapse:

Breakdown of re-publishing relationships, SEO problems, poor content quality or relevance, or failure in marketing/social media efforts could diminish the power of the project. To mitigate this, normal editorial processes ensure that content is of a consistently high quality. We actively engage with republishers to help our stories reach a wider audience, and encourage regular readers to sign up for our newsletters.

3. Staffing problems:

Difficulty in attracting or retaining staff could make the editorial product difficult to deliver. This is mitigated by fostering an open and approachable management style allowing problems to be raised at an early stage and encouraging staff growth. Achievement is rewarded where appropriate.

4. Editorial issues:

With greater readership comes greater scrutiny of our stories, and an increased risk of legal action. TCUK's model depends on high quality content written by experts, so our stories are lower risk than other news outlets. To mitigate, we follow journalism best-practice, all editors receive training from media law experts, and potentially higher risk stories receive external legal scrutiny. In September 2019, TCUK joined IMPRESS, a press regulator which provides an external complaints management process, further reducing the risk of legal action.

5. Office Health & Safety:

An employee could be injured onsite or when working offsite. To mitigate, employer's liability insurance is up-to-date, staff are trained as fire marshals and health and safety officers as appropriate, and trained emergency first-aiders available onsite. The Health & Safety risk-assessment will continue to be kept up-to-date and actioned appropriately.

Future Plans

The Conversation has attracted most research-intensive UK universities as members. Future plans will focus on the value delivered to member institutions and the impact delivered by our journalism. Trust, Foundation and public (donation) funding will be explored further but will remain secondary to membership revenue. We will continue to support the UK Higher Education sector through the challenges it faces – helping them engage with the public, to demonstrate the value of research, and helping that research reach new audiences. In the longer term, our commercial subsidiary, Universal Impact, will help us broaden the ways we work with research institutions, providing additional income to support our core charitable mission.

The Conversation Trust (UK) Limited

Report of the Trustees for the year ended 31st July 2023

Remuneration Policy

Salaries are benchmarked against similar organisations with final sign off being made by the Remuneration Committee of the Board of Trustees.

Reserves Policy

Unrestricted funds totalled £599,920 as at 31 July 2023 (2022: £709,469). Restricted funds totalled £184,498 as at 31 July 2023 (2022: £127,569). It is the policy of The Conversation to maintain a reserve level equivalent to a minimum of four months outgoings, partly to guard against possible fluctuations in levels of membership as well as potential changes in the funding environment. Any loss of funding or membership income would likely take several months to replace. If such replacement were not possible, the reserves provide sufficient time for the Trust to adjust its outgoings accordingly. In addition, these reserves can provide a stronger bedrock for financial planning into subsequent financial years. Current reserves are in line with the Trust's target of four months outgoings, approximately £600,000. Free reserves (unrestricted general funds minus fixed assets) of the charity at 31 July 2023 were £589,817. In forward planning, trustees will ensure free reserves continue to meet the reserves policy.

Going concern

The directors have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the company to continue as a going concern. The directors have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the directors have considered the company's forecast and projections and have taken account of the challenging environment for the UK Higher Education sector. On this basis the directors have concluded that The Conversation has adequate resources to continue in operational existence for at least twelve months from the approval of the financial statements. The Conversation therefore continues to adopt the going concern basis in preparing its financial statements.

Appointment of new trustees

Potential Trustees are proposed to or approached by The Conversation's Nominations committee, with vacancies publicly advertised. Recommendations are then put to the Board of Trustees to vote on. The executive officers are responsible for training Trustees and making them aware of their responsibilities. The Board of Trustees maintains a skills matrix of current members. When recruiting new Trustees, the Board aims to maintain a balance of skills and backgrounds to ensure a diverse mix of people.

Auditors

Moore Kingston Smith LLP have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act, it is proposed that they be re-appointed auditors for the ensuing year.

Statement of trustees' responsibilities

The trustees (who are also directors of The Conversation Trust (UK) Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements;
- make judgements and estimates that are reasonable and prudent;

The Conversation Trust (UK) Limited

Report of the Trustees for the year ended 31st July 2023

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

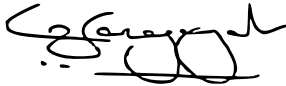
The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, Charities and Trustee Investment (Scotland) Act 2005 and Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

- In so far as the trustees are aware:
 - there is no relevant audit information of which the charitable company's auditor is unaware; and
 - the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report has been prepared in accordance with the special provisions relating to small entities within Part 15 of the Companies Act 2006.

Approved by the Trustees on: 13/2/24

and signed on their behalf by:



Professor Nishan Canagarajah (Chair)

Auditor's Report to the Trustees of The Conversation Trust (UK) Limited

Opinion

We have audited the financial statements of The Conversation Trust (UK) for the year ended 31 July 2023 which comprises the Statement of Financial Activities, the Balance Sheet, the 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 FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended) and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 financial statements section of our report. We are independent of the charitable company 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 group's and parent charitable company'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

Auditor's Report to the Trustees of The Conversation Trust (UK) Limited

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual 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 charitable company 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 where 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; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the from preparing a Strategic Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 4, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report to you in accordance with regulations made under those Acts.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Auditor's Report to the Trustees of The Conversation Trust (UK) Limited

Auditor's responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what Extent the Audit was Considered Capable of Detecting Irregularities, Including Fraud

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 is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement

Auditor's Report to the Trustees of The Conversation Trust (UK) Limited

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the company'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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Date: 27 March 2024

Shivani Kothari (Senior Statutory Auditor)
For and on behalf of Moore Kingston Smith LLP

9 Appold Street
London EC2A 2AP

The Conversation Trust (UK) Limited
Statement of Financial Activities (incorporating the Income and Expenditure account) For the year ended 31st July 2023

	Notes	Unrestricted Funds £	Restricted Funds £	2023 Total Funds £	2022 £
Income from:					
Donations					
Grants and donations	2	372,824	452,965	825,789	662,611
Membership subscriptions		1,440,966	-	1,440,966	1,504,725
Gifts in Kind	3	18,000	-	18,000	18,000
Other income					
Other charitable income		49,389	-	49,389	11
Trading income		33,445	-	33,445	25,440
Total		<u>1,914,624</u>	<u>452,965</u>	<u>2,367,589</u>	<u>2,210,787</u>
Expenditure on:					
Charitable Activities					
Advancement of education	5	1,953,390	344,515	2,297,905	1,893,662
Raising Funds					
Trading costs		122,304	-	122,304	122,304
Total		<u>2,075,694</u>	<u>344,515</u>	<u>2,420,209</u>	<u>2,015,966</u>
Net income	4	(161,070)	108,450	(52,620)	194,821
Transfers between funds		51,521	(51,521)	-	-
Net movement in funds		(109,549)	56,929	(52,620)	194,821
Funds as at 1 August 2022		709,469	127,569	837,038	642,217
Fund balances carried forward as at 31 July 2023	12	<u>599,920</u>	<u>184,498</u>	<u>784,418</u>	<u>837,038</u>

All activities in the year were attributable to continuing operations.

The accompanying notes form part of these financial statements.

The Conversation Trust (UK) Limited
Balance Sheet
For the year ended 31st July 2023

	Note	2023	2023	2022	2022
		£	£	£	£
Fixed assets					
Tangible fixed assets	7		10,103		14,097
Current Assets					
Debtors	8	436,302		447,129	
Cash at bank and in hand		<u>1,001,274</u>		<u>875,693</u>	
		1,437,576		1,322,822	
Creditors: Amounts falling due within one year	9	<u>(663,261)</u>		<u>(499,882)</u>	
Net Current Assets			<u>774,315</u>		<u>822,940</u>
Total assets less current liabilities			784,418		837,038
Net assets			<u><u>784,418</u></u>		<u><u>837,038</u></u>
Funds					
Unrestricted funds					
General Funds	10		599,920		709,469
Restricted funds	11		<u>184,498</u>		<u>127,569</u>
Total			<u><u>784,418</u></u>		<u><u>837,038</u></u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved and authorised for issue by the Board on 13/2/24.....

Signed on their behalf by:


.....

Professor Nishan Canagarajah
Trustee
Company Number 08158264

The Conversation Trust (UK) Limited
Statement of Cash Flows
for the Year Ended 31st July 2023

	2023	2022
	£	£
Cash flows from operating activities		
Net cash (used in)/ provided by operating activities	<u>130,776</u>	<u>252,518</u>
Cash flows from investing activities		
Payments to acquire tangible fixed assets	<u>(5,196)</u>	<u>(6,961)</u>
	<u>(5,196)</u>	<u>(6,961)</u>
Net increase/(decrease) in cash and cash equivalents	125,581	245,557
Cash and cash equivalents at beginning of year	<u>875,693</u>	<u>630,136</u>
Cash and cash equivalents at end of year	<u><u>1,001,274</u></u>	<u><u>875,693</u></u>
<hr/>		
Reconciliation of net income to net cash flow from operating activities		
	2023	2022
	£	£
Net income including endowments	(52,620)	194,821
Adjustments for:		
Depreciation charges	9,190	7,610
Increase in debtors	10,827	(51,656)
(Decrease)/increase in creditors	163,379	101,743
	<u> </u>	<u> </u>
Net cash (used in)/provided by operating activities	<u><u>130,776</u></u>	<u><u>252,518</u></u>

The Conversation Trust (UK) Limited

Notes to the Financial Statements

For the year ended 31st July 2023

1 Accounting Policies

1.1 Basis of preparation of financial statements

These financial statements are prepared on a going concern basis, under the historical cost convention.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP), the Companies Act 2006, the Charities Act 2011 and Charities Accounts (Scotland) Regulations 2006 as amended by The Charities Accounts (Scotland) Amendment (No. 2) Regulations 2014.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest one pound.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

1.2 Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. The trustees are able to reliably forecast a high proportion of pipeline income by reviewing annual memberships and repeated or multi-year grants. On the basis of such forecasts the trustees have concluded that the company has adequate resources to continue in operational existence for at least twelve months from the approval of the financial statements. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

1.3 Income

All income is included in the Statement of Financial Activities when the Trust is entitled to the income and the amount can be quantified with reasonable accuracy.

Income received in advance is deferred where it would be repayable if conditions are not met in the future.

1.4 Gifts in kind

Where services are provided to the charity as a donation that would normally be purchased from suppliers, this contribution is included in the financial statements as an estimate based on the value of the contribution to the charity. Donated services and facilities are discussed in note 3.

1.5 Unrestricted funds

These resources arise from grants and donations provided for unrestricted purposes and from accumulated surpluses and deficits in the operations for charitable purposes and are expendable at the discretion of the trustees.

1.6 Designated funds

These funds have been designated for a particular purpose by the trustees.

1.7 Restricted funds

These funds arise from contributions made for specific purposes and are expended in accordance with these purposes.

The Conversation Trust (UK) Limited

Notes to the Financial Statements

For the year ended 31st July 2023

1.8 Expenditure

Expenditure is classified under the principal categories of charitable expenditure and the costs of raising funds rather than the type of expense, in order to provide more useful information to users of these accounts. Irrecoverable VAT is treated as an expense.

Charitable expenditure and costs of raising funds comprise direct expenditure attributable to the Trust. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of the resources.

1.9 Defined contribution pension plans

The charity operates a defined contribution plan for its employees. The contributions are recognised as an expense when they are due in the statement of financial activities. All contributions were paid during the year and there are no amounts outstanding at either the 2022 or 2021 year end.

1.10 Governance costs

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

1.11 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. A full year's depreciation is charged in the year of acquisition and none in the year of disposal.

Depreciation has been calculated at the following annual rates, in order to write off each asset over its estimated useful life.

Computer equipment *3 years straight line*

The charity's capitalisation policy is to capitalise individual assets costing over £500.

1.12 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

1.13 Financial Instrument

The charity has elected to apply the provisions of Section 17 Basic Financial Instruments and Section 17 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 8 and 9 for the debtor and creditor notes.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

1.15 Critical accounting estimates and areas of judgement

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have most significant effect on amounts recognised in the financial statements.

- (i) The valuation of gifts in kind has been estimated as per note 1.4 and note 3.
- (ii) Useful Economic Lives - The annual depreciation charge for plant and equipment is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and amended where necessary to reflect current circumstances.

The Conversation Trust (UK) Limited
Notes to the Financial Statements
For the year ended 31st July 2023

2 Grants and donations	Unrestricted £	Restricted £	Total 2023 £	2022 £
UNDRR				23,170
Independent Social Research Foundation	-	12,500	12,500	25,000
International Public Policy Observatory (IPPO)	-	151,546	151,546	-
HEFCW	-	25,000	25,000	-
UK Research and Innovation	-	263,919	263,919	247,805
Stichtin 5 Media	25,247	-	25,247	25,088
Other grants	900	-	900	67,030
Individual donations	222,271	-	222,271	240,893
Gift aid receivable	124,406	-	124,406	33,625
	<u>372,824</u>	<u>452,965</u>	<u>825,789</u>	<u>662,611</u>

3 Gifts in Kind

An estimate of the support in kind, based on the value of the contribution to the charity, has been included as a donation and a cost, at amounts summarised below:

	2023 £	2022 £
Rent and utilities	<u>18,000</u>	<u>18,000</u>

4 Net income

The net income for the year is stated after charging:

	2023 £	2022 £
Auditor's remuneration - audit fee current year	13,200	8,190
Auditor's remuneration - prior year	-	1,200
Other non-audit services	875	40

5 Expenditure

	Staff Costs (note 6)	Direct Costs	Support costs (note 5a)	Total 2023
		£	£	£
Charitable Activities				
Public Learning	1,830,025	176,623	291,257	2,297,905
Raising Funds				
Trading costs	122,304	-	-	122,304
	<u>1,952,329</u>	<u>176,623</u>	<u>291,257</u>	<u>2,420,209</u>
	Staff Costs (note 6)	Direct Costs	Support costs (note 5a)	Total 2022
		£	£	£
Charitable Activities				
Public Learning	1,485,783	140,860	267,019	1,893,662
Raising Funds				
Trading costs	122,304	-	-	122,304
	<u>1,485,783</u>	<u>140,860</u>	<u>267,019</u>	<u>2,015,966</u>

Staff costs include £344,515 (2023: £222,600) of expenditure funded by restricted grants, see note 11.

5a Support costs

	2023 £	2022 £
Office costs	66,441	83,796
Legal and professional fees	53,215	20,255
Insurance	2,677	1,049
Interest paid and bank charges	1,680	1,365
Travel	34,830	24,626
Depreciation	8,890	7,610
Marketing	80,274	98,470
Governance costs	43,250	29,848
	<u>291,257</u>	<u>267,019</u>

The Conversation Trust (UK) Limited
Notes to the Financial Statements
For the year ended 31st July 2023

6 Staff costs	2023	2022
	£	£
Salaries and wages	1,590,361	1,287,511
Social security costs	169,827	140,627
Employers pension contributions	120,028	110,301
Redundancy Costs	18,000	-
Freelance costs	54,113	69,648
	<u>1,952,329</u>	<u>1,608,087</u>

One employee (2022: none) earned between £60,000 - £69,999 in the year.

One employee (2022: two) earned between £90,001 - £99,999 in the year.

One employee (2022: none) earned between £100,000 - £110,000 in the year.

Key management personnel includes the trustees, Chief Executive (and three senior staff reporting directly to the Chief Executive). The total employee benefits of the charity's key management personnel were £398,436 (2022: £325,588). No trustee received any remuneration as part of this figure. Total pension payments included in this amount were £26,436 (2022: £10,157).

The average number of employees (including casual and part time staff) during the year was:

	2023	2022
Employees	<u>37</u>	<u>33</u>

7 Tangible Fixed Assets	Computer & office equipment
	£
Cost	
As at 1 August 2022	46,096
Additions	5,196
As at 31 July 2023	<u>51,292</u>
Depreciation	
As at 1 August 2022	31,999
Charge in year	9,190
As at 31 July 2023	<u>41,189</u>
Net book value	
As at 31 July 2023	<u>10,103</u>
As at 31 July 2022	<u>14,097</u>

8 Debtors	2023	2022
	£	£
Other debtors	319,959	345,975
Prepayments and accrued income	116,343	101,154
	<u>436,302</u>	<u>447,129</u>

9 Creditors: Amounts falling due within one year	2023	2022
	£	£
Trade creditors	39,752	5,558
Accruals and deferred income	515,232	440,057
Other taxation and social security	92,652	40,576
Other creditors	15,625	13,691
	<u>663,261</u>	<u>499,882</u>

The Conversation Trust (UK) Limited
Notes to the Financial Statements
For the year ended 31st July 2023

9 Creditors: Amounts falling due (continued)
within one year

Deferred income relates to membership for the next financial year.

	2023 £	2022 £
Brought forward	430,667	338,833
Amount added	525,318	430,667
Amount released	(453,953)	(338,833)
Carried forward	<u>502,032</u>	<u>430,667</u>

10 Unrestricted Funds

	As At 1 August 2022 £	Income £	Expenditure £	Transfers £	As At 31 July 2023 £
General Fund	<u>709,469</u>	<u>1,914,624</u>	<u>(2,075,694)</u>	<u>51,521</u>	<u>599,920</u>

	As At 1 August 2021 £	Income as restated £	Expenditure £	Transfers £	As At 31 July 2022 £
General Fund	<u>512,740</u>	<u>1,957,983</u>	<u>(1,761,254)</u>	<u>-</u>	<u>709,469</u>

11 Restricted funds

	As At 1 August 2022 £	Income £	Expenditure £	Transfers £	As At 31 July 2023 £
(a) United Nations Office for Disaster F	-	-	-	-	-
(b) Independent Social Research	-	12,500	(12,500)	-	-
(b) International Public Policy Observat	-	151,546	(64,629)	(51,521)	35,396
(b) HEFCW	-	25,000	(25,000)	-	-
(b) UK Research and Innovation	127,569	263,919	(242,386)	-	149,102
	<u>127,569</u>	<u>452,965</u>	<u>(344,515)</u>	<u>(51,521)</u>	<u>184,498</u>

	As At 1 August 2021 £	Income £	Expenditure £	Transfers £	As At 31 July 2022 £
(b) Lloyds Register Foundation	-	-	-	-	-
(b) Independent Social Research Foundation	-	25,000	(25,000)	-	-
(b) UK Research and Innovation	129,477	227,804	(229,712)	-	127,569
(a) COST Action	-	-	-	-	-
(a) United Nations Office for Disaster Risk Reduction	-	-	-	-	-
	<u>129,477</u>	<u>252,804</u>	<u>(254,712)</u>	<u>-</u>	<u>127,569</u>

The Conversation Trust (UK) Limited
Notes to the Financial Statements
For the year ended 31st July 2023

11 Restricted funds (continued)

- (a) The charity received a grant to report on specific topical events.
- (b) The charity received a grant to fund a specific role.

12 Analysis of Net Assets between Funds

	General	Restricted	2023
	£	£	Total Funds
			£
Fund balances at 31st July 2023			
represented by:			
Fixed assets	10,103	-	10,103
Net current assets	589,817	184,498	774,315
	<u>599,920</u>	<u>184,498</u>	<u>784,418</u>
	<u>599,920</u>	<u>184,498</u>	<u>784,418</u>
	General	Restricted	2022
	£	£	Total Funds
			£
Fund balances at 31st July 2022			
represented by:			
Fixed assets	14,098	-	14,098
Net current assets	695,371	127,569	822,940
	<u>709,469</u>	<u>127,569</u>	<u>837,038</u>
	<u>709,469</u>	<u>127,569</u>	<u>837,038</u>

13 Transactions with Trustees

There was no remuneration paid to the trustees during the period.

One trustees (2022: none) was reimbursed £509 (2022: £Nil) travel and subsistence expenses in the period.

14 Related party transactions

During the year one trustee (2022: one) made donations of £50 (2022: £250) to The Conversation Trust.

The Chair of Trustees Nishan Canagarajah was the Vice Chancellor of the University of Leicester which is a member university and pays annual membership fees. The fees paid are on an arms length basis. Dr David Levy is on the board of The Conversation Media Group which is the sister company of the The Conversation Trust (UK) operating in Australia. The Conversation Trust (UK) pay a license fee to The Conversation Media Group for its use of the brand £91,366 (2022: 98,260).

15 Limited Liability

The company is limited by guarantee and has no share capital. In the event of it winding up the liability of each member is limited to £1.

THE CONVERSATION TRUST (UK) LIMITED

England & Wales - Charity number 1151436

Accounts

THE CONVERSATION TRUST (UK) LIMITED
(Company Limited by Guarantee)

Company Number: 08158264
Registered Charity Number in England and Wales: 1151436
Registered Charity Number in Scotland: SC044707

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JULY 2022

The Conversation Trust (UK) Limited

CONTENTS

	<i>Page</i>
Trustees' Annual Report	1 - 6
Independent Auditor's Report	7 - 10
Statement of Financial Activities	11
Balance Sheet	12
Statement of Cash Flows	13
Notes to the Financial Statements	14 - 20

The Conversation Trust (UK) Limited

Report of the Trustees for the year ended 31st July 2022

The Conversation Trust (UK) Limited (the 'Trust') is a charitable company limited by guarantee and incorporated as Company number 08158264 on 26 July 2012 and listed on the Central Register of Charities (England and Wales) under Charity number 1151436. The charitable company registered with the Office of the Scottish Charity Regulator on 3 March 2014 (SC044707).

The Trust was established under, and is governed by, its Articles of Association. The directors of the Trust are its trustees for the purposes of charity law and throughout this report are collectively referred to as 'the trustees'.

As set out in the Articles of Association, the trustees, who shall number not less than three, may be appointed for such terms as thought fit by the trustees.

Reference and administrative information

Trustees	Professor Nishan Canagarajah - Chair - appointed 12 November 2021 Professor Colin Bryan Riordan - Chair to resignation - resigned 12 November 2021 Nicholas John Eldred Dr David Anthony Lipton Levy Katharine Louise Metzler Diana Beech Emily Anne Bunting - appointed 15 September 2022 Vivienne Mary Hunt Parry - appointed 15 September 2022 Kavita Reddi - appointed 15 September 2022 Matthew Peter Walsh - appointed 15 September 2022 Professor David Gordon Sweeney - appointed 1 October 2022 Kirsty Walker - appointed 18 May 2023 Jonathan Julian Hyams - resigned 29 September 2021 David Henry Smith - resigned 25 May 2022 Adrian Neil Monck - resigned 31 July 2022 Dr Joanna Frances Newman MBE - resigned 1 December 2022 Caroline Agnes Morgan Thomson - resigned 1 December 2022 Michael Spence - resigned 18 May 2023
Patron	Professor Sir Eric Jackson Thomas
Chief Executive Officer	Chris Waiting
Registered Office	Shropshire House Capper Street London England WC1E 6JA
Auditors	Moore Kingston Smith LLP 6th Floor 9 Appold Street London EC2A 2AP
Bankers	Co-operative Bank P.O. Box 250 Delf House Southway Skelmersdale WN8 6WT
Solicitors	Farrer & Co LLP 66 Lincoln's Inn Fields London WC2A 3LH

The Conversation Trust (UK) Limited

Report of the Trustees for the year ended 31st July 2022

The trustees present their report along with the financial statements of the Trust for the year ending 31 July 2022.

The financial statements comply with statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities and have been prepared in accordance with Companies Act 2006 and Charities Act 2011.

Objects, Objectives, Governance and Management

The Objects of the Charity are to promote for the public benefit the advancement of education, including the provision of a platform for the creation, aggregation and communication of news and information services relating to the knowledge industries and the communication of all academic disciplines and their benefits as broadly as possible to enrich society's foundations of knowledge, expertise and solutions. These objects are reviewed by Trustees on an annual basis.

Activities and Achievements

The financial year ending July 2022 saw The Conversation move beyond the COVID-19 pandemic. While our journalism and operations continued to be influenced by it, we find ourselves looking forward, and returning to some of our working patterns from before 2020. Our on-site readership declined slightly but we saw further increases to newsletter subscriptions and podcasts downloads, reflecting our most engaged readers.

Stories published by The Conversation UK were read a total of 153 million times in the year ending July 2022, a 9% decrease on the record-breaking year before. This decline is consistent with those seen by many other news publishers through 2022, with the Reuters Institute for the Study of Journalism identifying 'covid fatigue' and 'news avoidance' as key drivers of this trend. Stories we published were republished by the BBC, CNN, Scientific American, The Daily Mail and a great many others, and the academics who wrote for us have had their work cited in Parliament, followed up by other media, and led to new partnerships and research opportunities.

After a couple of years of stasis, membership numbers returned to growth, with a number of new and returning members signing up. We are aware that the UK HE sector remains braced for a challenging period and so continue to look to diversify our income. However we believe membership continues to provide enormous value to the institutions we work with, and membership continues to be our core funding stream.

While The Conversation's journalism will always remain free to read and republish, we are grateful that an increasing number of readers are donating to support our work. In the year ending July 2022 we received almost £206k from four thousand readers, an 18% increase on the year before, with almost half now donating monthly. In the coming years we intend to strengthen our relationship with these 'Friends of The Conversation' and encourage more of our regular readers to contribute to support our journalism. However as we enter a challenging economic era, we expect the pressures of the cost of living crisis to limit further growth in reader donations.

We're grateful to Research England for its continued support, as our long running Insights project, and the pandemic-related Covid-Insights project have merged into a new three-year initiative, Insights & Applications. This project commissions longer-read stories which can explore topics more fully – and has led to significant coverage in other media. The new 'Applications' side considered the ways that research impacts society, ranging from discoveries and innovations developed during the pandemic, to other ways research is shaping the UK economy.

FY22 was a transition year, with the appointment of a new Editor, Jo Adetunji, and a new Chair, Professor Nishan Canagarajah, Vice Chancellor of the University of Leicester, along with a number of new Trustees. Together with the Chief Executive, senior leadership, they are working on a new strategic review, establishing our priorities for the next three years, building on those we agreed in 2019:

The Conversation Trust (UK) Limited

Report of the Trustees for the year ended 31st July 2022

- 1) Strengthening our position as a leading news platform for research & analysis, providing timely and reliable information from diverse experts, presented clearly through innovative storytelling
- 2) Engaging our audience and building our brand. By prioritising our onsite audience, we will grow subscribers to our newsletter and other products
- 3) Ensuring sustainable revenue growth by developing our university membership, by attracting new philanthropic support and by growing donations from our readers. We will also explore expanding the range of services we provide to universities.
- 4) Creating a high-performance culture for our team, overseen by ethical and professional governance from our Trustees and Editorial Board

We are grateful to the Trustees who have left the board over the last 12 months for their work throughout their terms.

We continue to work closely with the other editions of The Conversation around the world, looking for opportunities for greater impact and improved efficiency.

Public Benefit

As required by the Charities Act 2011, the trustees have referred to the Charity Commission's general guidance on public benefit when setting up the Trust. The trustees will have due regard to the Charity Commission's general guidance on public benefit when making grants in future. In shaping our objectives for the year and planning our activities, the trustees have also considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

Financial Review

During the period, the charity received total income of £2.2m for use by the charity in pursuing its charitable objects. As per the Statement of Financial Activities on page 9 this resulted in a surplus for the year of £195k. This was in line with forecast, before the impact of the backlog of gift aid claims.

This surplus allows the charity to grow its reserves and places it in a stronger position in facing the uncertain period ahead.

Risk Management

1. Universities are not prepared or able to fund the project:

Even before COVID-19, the Higher Education sector was experiencing considerable external pressure and uncertainty. As a result, many institutions are reviewing all costs, which could lead to existing members failing to renew while new members prove hard to attract. To mitigate this risk, the company's retention strategy involves a focus on the benefits delivered to members, active monitoring of engagement and targeted increases to staff capacity to meet demand. We are also exploring appropriate diversification of revenue to help us mitigate sectoral shocks. Finally, we have considered a range of options to reduce our costs should a significant number of universities fail to renew.

2. Readership collapse:

Breakdown of re-publishing relationships, SEO problems, poor content quality or relevance, or failure in marketing/social media efforts could halt growth, and diminish the power of the project. To mitigate this, normal editorial processes ensure that content is of a consistently high quality. We actively engage with republishers to help our stories reach a wider audience, and encourage regular readers to sign up for our newsletters.

3. Staffing problems:

Difficulty in attracting or retaining staff could make the editorial product difficult to deliver. This is mitigated by fostering an open and approachable management style allowing problems to be raised at an early stage and encouraging staff growth. Achievement is rewarded where appropriate.

The Conversation Trust (UK) Limited

Report of the Trustees for the year ended 31st July 2022

4. Editorial issues:

With greater readership comes greater scrutiny of our stories, and an increased risk of legal action. TCUK's model depends on high quality content written by experts, so our stories are lower risk than other news outlets. To mitigate, we follow journalism best-practice, all editors receive training from media law experts, and potentially higher risk stories receive external legal scrutiny. In September 2019, TCUK joined IMPRESS, a press regulator which provides an external complaints management process, further reducing the risk of legal action.

5. Office Health & Safety:

An employee could be injured onsite or when working offsite. To mitigate, employer's liability insurance is up-to-date, staff are trained as fire marshals and health and safety officers as appropriate, and trained emergency first-aiders available onsite. The Health & Safety risk-assessment will continue to be kept up-to-date and actioned appropriately.

Future Plans

The charity has attracted the majority of research-intensive UK universities as members. Future plans will focus on the value delivered to member institutions and the impact delivered by our journalism. Trust, Foundation and public (donation) funding will be explored further, but will remain secondary to membership revenue. We will continue to support the UK Higher Education sector through the challenges it faces – helping them engage with the public, to demonstrate the value of research, and helping that research reach new audiences. In the longer term, our commercial trading subsidiary, Universal Impact, will help us broaden the ways we work with research institutions, providing additional income to support our core charitable mission.

Remuneration Policy

Salaries are benchmarked against similar organisations with final sign off being made by the Remuneration Committee of the Board of Trustees.

Reserves Policy

Unrestricted funds totalled £709,469 as at 31 July 2022 (2021 as restated: £512,740). Restricted funds totalled £127,569 as at 31 July 2022 (2019: £129,477). It is the policy of the Trust to maintain a reserve level equivalent to a minimum of four months outgoings, partly to guard against possible fluctuations in levels of membership as well as potential changes in the funding environment. Any loss of funding or membership income would likely take several months to replace. If such replacement were not possible, the reserves provide sufficient time for the Trust to adjust its outgoings accordingly. In addition, these reserves can provide a stronger bedrock for financial planning into subsequent financial years. Current reserves are in line with the Trust's target of four months outgoings, approximately £600,000. Free reserves (unrestricted general funds minus fixed assets) of the charity at 31 July 2022 were £695,371. In forward planning, trustees will ensure free reserves continue to meet the reserves policy.

Going concern

The directors have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the company to continue as a going concern. The directors have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the directors have considered the company's forecast and projections and have taken account of the challenging environment for the UK Higher Education sector. The directors have carried out analysis on budget forecasts to 31 July 2024 for varying levels of reduction in memberships which make up the majority of the company's income streams. In each case the company is able to reduce its cost to match any potential fall in membership income up to 50%. On this basis the directors have concluded that the company has adequate resources to continue in operational existence for at least twelve months from the approval of the financial statements. The company therefore continues to adopt the going concern basis in preparing its financial statements.

The Conversation Trust (UK) Limited

Report of the Trustees for the year ended 31st July 2022

Appointment of new trustees

Potential Trustees are proposed to or approached by The Conversation's Nominations subcommittee, with vacancies publicly advertised. Recommendations are then put to the Board of Trustees to vote on. The executive officers are responsible for training Trustees and making them aware of their responsibilities. The Board of Trustees maintains a skills matrix of current members. When recruiting new Trustees, the Board aims to maintain a balance of skills and backgrounds to ensure a diverse mix of people.

Auditors

Moore Kingston Smith LLP have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act, it is proposed that they be re-appointed auditors for the ensuing year.

Statement of trustees' responsibilities

The trustees (who are also directors of The Conversation Trust (UK) Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the 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, Charities and Trustee Investment (Scotland) Act 2005 and Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

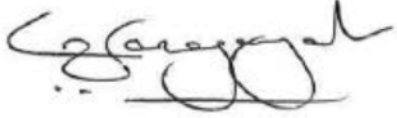
- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report has been prepared in accordance with the special provisions relating to small entities within Part 15 of the Companies Act 2006.

The Conversation Trust (UK) Limited
Report of the Trustees for the year ended 31st July 2022

Approved by the Trustees on: 25th July 2023

and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'N. Canagarajah', written over a horizontal line.

Professor Nishan Canagarajah (Chair)

Auditor's Report to the Trustees of The Conversation Trust (UK) Limited

Opinion

We have audited the financial statements of The Conversation Trust (UK) for the year ended 31 July 2022 which comprises the Statement of Financial Activities, the Balance Sheet, the 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 FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended) and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 financial statements section of our report. We are independent of the charitable company 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 group's and parent charitable company'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

Auditor's Report to the Trustees of The Conversation Trust (UK) Limited

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual 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 charitable company 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 where 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; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the from preparing a Strategic Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 4, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report to you in accordance with regulations made under those Acts.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Auditor's Report to the Trustees of The Conversation Trust (UK) Limited

Auditor's responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what Extent the Audit was Considered Capable of Detecting Irregularities, Including Fraud

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 is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement

Auditor's Report to the Trustees of The Conversation Trust (UK) Limited

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the company'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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

**Shivani Kothari (Senior Statutory Auditor)
For and on behalf of Moore Kingston Smith LLP**

Date: 28 July 2023

9 Appold Street
London EC2A 2AP

The Conversation Trust (UK) Limited
Statement of Financial Activities
(incorporating the Income and Expenditure account)
For the year ended 31st July 2022

	Notes	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	2021 Total Funds as restated £
Income from:					
Donations					
Grants and donations	2	435,247	252,804	688,051	624,448
Membership subscriptions		1,504,725	-	1,504,725	1,336,447
Gifts in Kind	3	18,000	-	18,000	18,000
Other income		11	-	11	1,365
Total		<u>1,957,983</u>	<u>252,804</u>	<u>2,210,787</u>	<u>1,980,260</u>
Expenditure on:					
Charitable Activities					
Advancement of education	5	<u>1,761,254</u>	<u>254,712</u>	<u>2,015,966</u>	<u>1,689,741</u>
Total		<u>1,761,254</u>	<u>254,712</u>	<u>2,015,966</u>	<u>1,689,741</u>
Net income	4	<u>196,729</u>	<u>(1,908)</u>	<u>194,821</u>	<u>290,519</u>
Net movement in funds		196,729	(1,908)	194,821	290,519
Funds as at 1 August 2021		512,740	129,477	642,217	351,698
Fund balances carried forward as at 31 July 2022	12	<u>709,469</u>	<u>127,569</u>	<u>837,038</u>	<u>642,217</u>

All activities in the year were attributable to continuing operations.

The accompanying notes form part of these financial statements.

The Conversation Trust (UK) Limited

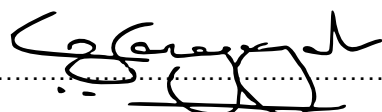
Balance Sheet as at 31st July 2022

	Note	2022	2022	2021	2021
		£	£	as restated £	as restated £
Fixed assets					
Tangible fixed assets	7		14,098		14,747
Current Assets					
Debtors	8	447,129		395,473	
Cash at bank and in hand		<u>875,693</u>		<u>630,136</u>	
		1,322,822		1,025,609	
Creditors: Amounts falling due within one year	9	<u>(499,882)</u>		<u>(398,139)</u>	
Net Current Assets			<u>822,940</u>		<u>627,470</u>
Total assets less current liabilities			837,038		642,217
Net assets			<u><u>837,038</u></u>		<u><u>642,217</u></u>
Funds					
Unrestricted funds					
General Funds	10		709,469		512,740
Restricted funds	11		<u>127,569</u>		<u>129,477</u>
Total			<u><u>837,038</u></u>		<u><u>642,217</u></u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved and authorised for issue by the Board on 25th July 2023

Signed on their behalf by:



Professor Nishan Canagarajah
Trustee
Company Number 08158264

The Conversation Trust (UK) Limited
Statement of Cash Flows
for the Year Ended 31 July 2022

	2022	2021
	£	as restated
		£
Cash flows from operating activities		
Net cash (used in)/ provided by operating activities	<u>252,518</u>	<u>202,730</u>
Cash flows from investing activities		
Payments to acquire tangible fixed assets	<u>(6,961)</u>	<u>(15,888)</u>
	<u>(6,961)</u>	<u>(15,888)</u>
Net increase/(decrease) in cash and cash equivalents	245,557	186,842
Cash and cash equivalents at beginning of year	<u>630,136</u>	<u>443,294</u>
Cash and cash equivalents at end of year	<u><u>875,693</u></u>	<u><u>630,136</u></u>
<hr/>		
Reconciliation of net income to net cash flow from operating activities		
	2022	2021
	£	£
Net income including endowments	194,821	290,519
Adjustments for:		
Depreciation charges	7,610	3,759
Increase in debtors	(51,656)	(76,803)
(Decrease)/increase in creditors	101,743	(14,745)
	<u> </u>	<u> </u>
Net cash (used in)/provided by operating activities	<u><u>252,518</u></u>	<u><u>202,730</u></u>

The Conversation Trust (UK) Limited

Notes to the Financial Statements

For the year ended 31st July 2022

1 Accounting Policies

1.1 Basis of preparation of financial statements

These financial statements are prepared on a going concern basis, under the historical cost convention.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP), the Companies Act 2006, the Charities Act 2011 and Charities Accounts (Scotland) Regulations 2006 as amended by The Charities Accounts (Scotland) Amendment (No. 2) Regulations 2014.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest one pound.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

1.2 Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. The trustees are able to reliably forecast a high proportion of pipeline income by reviewing annual memberships and repeated or multi-year grants. On the basis of such forecasts the trustees have concluded that the company has adequate resources to continue in operational existence for at least twelve months from the approval of the financial statements. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

1.3 Income

All income is included in the Statement of Financial Activities when the Trust is entitled to the income and the amount can be quantified with reasonable accuracy.

Income received in advance is deferred where it would be repayable if conditions are not met in the future.

1.4 Gifts in kind

Where services are provided to the charity as a donation that would normally be purchased from suppliers, this contribution is included in the financial statements as an estimate based on the value of the contribution to the charity. Donated services and facilities are discussed in note 3.

1.5 Unrestricted funds

These resources arise from grants and donations provided for unrestricted purposes and from accumulated surpluses and deficits in the operations for charitable purposes and are expendable at the discretion of the trustees.

1.6 Designated funds

These funds have been designated for a particular purpose by the trustees.

1.7 Restricted funds

These funds arise from contributions made for specific purposes and are expended in accordance with these purposes.

The Conversation Trust (UK) Limited

Notes to the Financial Statements

For the year ended 31st July 2022

1.8 Expenditure

Expenditure is classified under the principal categories of charitable expenditure and the costs of raising funds rather than the type of expense, in order to provide more useful information to users of these accounts. Irrecoverable VAT is treated as an expense.

Charitable expenditure and costs of raising funds comprise direct expenditure attributable to the Trust. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of the resources.

1.9 Defined contribution pension plans

The charity operates a defined contribution plan for its employees. The contributions are recognised as an expense when they are due in the statement of financial activities. All contributions were paid during the year and there are no amounts outstanding at either the 2022 or 2021 year end.

1.10 Governance costs

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

1.11 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. A full year's depreciation is charged in the year of acquisition and none in the year of disposal.

Depreciation has been calculated at the following annual rates, in order to write off each asset over its estimated useful life.

Computer equipment *3 years straight line*

The charity's capitalisation policy is to capitalise individual assets costing over £500.

1.12 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

1.13 Financial Instrument

'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 8 and 9 for the debtor and creditor notes.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

1.15 Critical accounting estimates and areas of judgement

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have most significant effect on amounts recognised in the financial statements.

- (i) The valuation of gifts in kind has been estimated as per note 1.4 and note 3.
- (ii) Useful Economic Lives - The annual depreciation charge for plant and equipment is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and amended where necessary to reflect current circumstances.

The Conversation Trust (UK) Limited
Notes to the Financial Statements
For the year ended 31st July 2022

2 Grants and donations	Unrestricted	Restricted	Total 2022	2021 as restated
	£	£	£	£
UNDRR	23,170	-	23,170	11,856
Independent Social Research Foundation	-	25,000	25,000	40,050
UK Research and Innovation	20,001	227,804	247,805	369,700
Stichtin 5 Media	25,088	-	25,088	-
Other grants	92,470	-	92,470	-
Individual donations	240,893	-	240,893	167,086
Gift aid receivable	33,625	-	33,625	35,756
	<u>435,247</u>	<u>252,804</u>	<u>688,051</u>	<u>624,448</u>

3 Gifts in Kind

An estimate of the support in kind, based on the value of the contribution to the charity, has been included as a donation and a cost, at amounts summarised below:

	2022 £	2021 £
Rent and utilities	<u>18,000</u>	<u>18,000</u>

4 Net income

The net income for the year is stated after charging:

	2022 £	2021 £
Auditor's remuneration - audit fee current year	8,190	6,960
Auditor's remuneration - prior year	1,200	1,098
Other non-audit services	40	1,030

5 Expenditure

	Staff Costs (note 6) £	Direct Costs £	Support costs (note 5a) £	Total 2022 £
Charitable Activities				
Public Learning	1,608,087	140,860	267,019	2,015,966
	<u>1,608,087</u>	<u>140,860</u>	<u>267,019</u>	<u>2,015,966</u>
	Staff Costs (note 6) £	Direct Costs £	Support costs (note 5a) £	Total 2021 £
Charitable Activities				
Public Learning	1,383,326	124,110	182,305	1,689,741
	<u>1,383,326</u>	<u>124,110</u>	<u>182,305</u>	<u>1,689,741</u>

Staff costs include £222,600 (2021: £271,355) of expenditure funded by restricted grants, see note 11.

5a Support costs

	2022 £	2021 £
Office costs	83,796	46,597
Legal and professional fees	20,255	12,553
Insurance	1,049	10,745
Interest paid and bank charges	1,365	3,701
Travel	24,626	656
Depreciation	7,610	3,759
Marketing	98,470	89,564
Governance costs	29,848	14,730
	<u>267,019</u>	<u>182,305</u>

Governance costs are made up of, in entirety, accountancy and audit fees.

The Conversation Trust (UK) Limited
Notes to the Financial Statements
For the year ended 31st July 2022

6	Staff costs	2022	2021
		£	£
	Salaries and wages	1,287,511	1,099,814
	Social security costs	140,627	119,029
	Employers pension contributions	110,301	54,381
	Freelance costs	69,648	110,102
		<u>1,608,087</u>	<u>1,383,326</u>

No employee (2021: one) earned between £80,001 - £89,999 in the year.

Two employees (2021: one) earned between £90,001 - £99,999 in the year.

Key management personnel includes the trustees, Chief Executive (and three senior staff reporting directly to the Chief Executive). The total employee benefits of the charity's key management personnel were £325,588 (2021: £312,655). No trustee received any remuneration as part of this figure. Total pension payments included in this amount were £10,157 (2021: £5,145).

The average number of employees (including casual and part time staff) during the year was as follows:

	2022	2021
Employees	<u>33</u>	<u>27</u>

7 Tangible Fixed Assets

			Computer & office equipment £
Cost			
As at 1 August 2021			39,135
Additions			6,961
As at 31 July 2022			<u>46,096</u>
Depreciation			
As at 1 August 2021			24,388
Charge in year			7,610
As at 31 July 2022			<u>31,998</u>
Net book value			
As at 31 July 2022			<u>14,098</u>
As at 31 July 2021			<u>14,747</u>

8	Debtors	2022	2021
		£	as restated £
	Other debtors	345,975	327,838
	Prepayments and accrued income	101,154	67,635
		<u>447,129</u>	<u>395,473</u>

9	Creditors: Amounts falling due within one year	2022	2021
		£	£
	Trade creditors	5,558	51,566
	Accruals and deferred income	440,057	346,573
	Other taxation and social security	40,576	-
	Other creditors	13,691	-
		<u>499,882</u>	<u>398,139</u>

The Conversation Trust (UK) Limited
Notes to the Financial Statements
For the year ended 31st July 2022

9 Creditors: Amounts falling due (continued)
within one year

Deferred income relates to membership for the next financial year.

	2022 £	2021 £
Brought forward	338,833	359,083
Amount added	454,493	338,833
Amount released	(338,833)	(359,083)
Carried forward	<u>454,493</u>	<u>338,833</u>

10 Unrestricted Funds

	As At 1 August 2021 £	Income £	Expenditure £	Transfers £	As At 31 July 2022 £
General Fund	<u>512,740</u>	<u>1,957,983</u>	<u>(1,761,254)</u>	<u>-</u>	<u>709,469</u>

	As At 1 August 2020 £	Income as restated £	Expenditure £	Transfers £	As At 31 July 2021 as restated £
General Fund	<u>332,539</u>	<u>1,558,654</u>	<u>(1,378,453)</u>	<u>-</u>	<u>512,740</u>

11 Restricted funds

	As At 1 August 2021 £	Income £	Expenditure £	Transfers £	As At 31 July 2022 £
(b) Lloyds Register Foundation	-				-
(b) Independent Social Research Foundation	-	25,000	(25,000)		-
(b) UK Research and Innovation	129,477	227,804	(229,712)		127,569
(a) COST Action	-				-
(a) United Nations Office for Disaster Risk Reduction	-				-
	<u>129,477</u>	<u>252,804</u>	<u>(254,712)</u>	<u>-</u>	<u>127,569</u>

	As At 1 August 2020 £	Income £	Expenditure £	Transfers £	As At 31 July 2021 £
(b) Lloyds Register Foundation	20,981	-	(20,981)	-	-
(b) Independent Social Research Foundation	12,425	40,050	(52,475)	-	-
(b) UK Research and Innovation	(14,774)	369,700	(225,449)	-	129,477
(a) COST Action	527		(527)		-
(a) United Nations Office for Disaster Risk Reduction	-	11,856	(11,856)		-
	<u>19,159</u>	<u>421,606</u>	<u>(311,288)</u>	<u>-</u>	<u>129,477</u>

The Conversation Trust (UK) Limited
Notes to the Financial Statements
For the year ended 31st July 2022

16 Prior year adjustment

Reconciliation of changes in reserves

	Notes	1 August 2020 £	31 July 2021 £
Adjustments to prior year			
Prior year underaccrual of gift aid receivable	8	-	35,756
Total reserves as previously reported		351,698	606,461
		<u>351,698</u>	<u>642,217</u>
Total reserves as adjusted		<u>351,698</u>	<u>642,217</u>

Reconciliation of changes in surplus for the previous financial year

	Notes	2021 £
Adjustments to prior year		
Prior year underaccrual of gift aid receivable	8	35,756
Surplus as previously reported		254,763
		<u>290,519</u>
Surplus as adjusted		<u>290,519</u>

During the current reporting period, management has identified a material error relating to underaccrued gift aid receivable in the prior period financial statements. This error has resulted in an understatement of income and current assets in the financial statements for the year ended 31 July 2021, which were previously issued.

The under-accrual of gift aid receivable occurred due to a backlog of gift aid claims not actioned until after the year end, which should have been recognized and accrued in the prior reporting period.

The impact of this error has been assessed and quantified by management, resulting in an increase in income and current assets for the prior period. The adjustment required to correct the error has been recorded as above.

THE CONVERSATION TRUST (UK) LIMITED

England & Wales - Charity number 1151436

Accounts

**THE CONVERSATION TRUST (UK) LIMITED
(Company Limited by Guarantee)**

Company Number: 08158264
Registered Charity Number in England and Wales: 1151436
Registered Charity Number in Scotland: SC044707

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST JULY 2021**

The Conversation Trust (UK) Limited

CONTENTS

	<i>Page</i>
Trustees' Annual Report	1 - 6
Independent Auditor's Report	7 - 10
Statement of Financial Activities	11
Balance Sheet	12
Statement of Cash Flows	13
Notes to the Financial Statements	14 - 19

The Conversation Trust (UK) Limited

Report of the Trustees

The Conversation Trust (UK) Limited (the 'Trust') is a charitable company limited by guarantee and incorporated as Company number 08158264 on 26 July 2012 and listed on the Central Register of Charities (England and Wales) under Charity number 1151436. The charitable company registered with the Office of the Scottish Charity Regulator on 3 March 2014 (SC044707).

The Trust was established under, and is governed by, its Articles of Association. The directors of the Trust are its trustees for the purposes of charity law and throughout this report are collectively referred to as 'the trustees'.

As set out in the Articles of Association, the trustees, who shall number not less than three, may be appointed for such terms as thought fit by the trustees.

Reference and administrative information

Trustees	Dr Joanna Frances Newman MBE Ziyad Paul Marar - resigned 1 August 2020 Adrian Neil Monck Jonathan Julian Hyams - resigned 29 September 2021 Professor Colin Bryan Riordan - Chair to resignation - resigned 12 November 2021 Caroline Agnes Morgan Thomson Nicholas John Eldred Dr David Anthony Lipton Levy Professor Nishan Canagarajah - Chair - appointed 12 November 2021 Katharine Louise Metzler - appointed 1 September 2020 David Henry Smith - appointed 1 August 2020 Diana Beech - appointed 6 July 2021 Michael Spence - appointed 6 July 2021
Patron	Professor Sir Eric Jackson Thomas
Chief Executive Officer	Chris Waiting
Registered Office	Shropshire House Capper Street London England WC1E 6JA
Auditors	Moore Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD
Bankers	Co-operative Bank P.O. Box 250 Delf House Southway Skelmersdale WN8 6WT
Solicitors	Farrer & Co LLP 66 Lincoln's Inn Fields London WC2A 3LH

The Conversation Trust (UK) Limited

Report of the Trustees

The trustees present their report along with the financial statements of the Trust for the year ending 31 July 2021.

The financial statements comply with statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities and have been prepared in accordance with Companies Act 2006 and Charities Act 2011.

Objects, Objectives, Governance and Management

The Objects of the Charity are to promote for the public benefit the advancement of education, including the provision of a platform for the creation, aggregation and communication of news and information services relating to the knowledge industries and the communication of all academic disciplines and their benefits as broadly as possible to enrich society's foundations of knowledge, expertise and solutions. These objects are reviewed by Trustees on an annual basis.

Activities and Achievements

The financial year ending July 2021 continued to be defined by the COVID-19 pandemic. Alongside the public health crisis, a parallel crisis of misinformation emerged, underscoring the need for our model of journalism, bringing experts directly to the public to explain and contextualise the unfolding events and challenge falsehoods. Our readership continued to grow and we saw significant increases to newsletter subscriptions and podcasts downloads, particularly following the launch of our new weekly podcast series in January.

Stories published by The Conversation UK were read a total of 168 million times in the year ending July 2021, a 6% increase on the already record-breaking year before. Subscribers to our newsletters and podcasts also increasing substantially throughout the year. Stories we published were republished by the BBC, CNN, Scientific American, The Daily Mail and a great many others, and the academics who wrote for us have had their work cited in Parliament, followed up by other media, and led to new partnerships and research opportunities.

Recognising the impact that COVID-19 is having on the Higher Education sector, we anticipated an increase in member churn. In the end total university membership held steady, finishing the year with 85 committed members with six leavers balanced by six new joiners. We believe membership continues to provide enormous value to the institutions we work with, and membership continues to be our core funding stream.

While The Conversation's journalism will always remain free to read and republish, we are grateful that an increasing number of readers are donating to support our work. In the year ending July 2021 we received almost £175k from five thousand readers, more than a thousand of whom now donate monthly. In the coming years we intend to strengthen our relationship with these 'Friends of The Conversation', and encourage more of our regular readers to contribute to support our journalism.

We were fortunate to launch a new Coronavirus Insights project with support from Research England, to provide additional editorial coverage of emerging virus research and how society has responded.

Despite the challenges, FY21 saw us develop and implement a new strategic plan covering both editorial and operational activities, structured around four key strategic priorities:

- 1) Strengthening our position as a leading news platform for research & analysis, providing timely and reliable information from diverse experts, presented clearly through innovative storytelling
- 2) Engaging our audience and building our brand. By prioritising our onsite audience, we will grow subscribers to our newsletter and other products
- 3) Ensuring sustainable revenue growth by developing our university membership, by attracting new philanthropic support and by growing donations from our readers. We will also explore expanding the range of services we provide to universities.

The Conversation Trust (UK) Limited

Report of the Trustees

- 4) Creating a high-performance culture for our team, overseen by ethical and professional governance from our Trustees and Editorial Board

We continue to work closely with the other editions of The Conversation around the world, looking for opportunities for greater impact and improved efficiency.

Impact of Covid-19

With around 70% of revenue coming from member institutions, we are keenly aware of the challenges still facing many universities. In our financial planning for coming years, we have assumed an elevated level of member churn and will continue to minimise costs wherever possible, while maintaining our reserves. For members, we have emphasised the benefits they get from working with The Conversation, with our continued focus on public engagement with research. We have also looked to diversify our revenue, expanding membership beyond UK universities, growing reader donations, and offering a range of additional services through a new commercial subsidiary, Universal Impact.

Operationally, despite the initial closure and later limited access to our main London office, we've been able to continue working largely as normal, with our editors working from home, and commissioning from academics across the UK and beyond. As we move into 2022, we've introduced a new working model that tries to retain some of the flexible benefits of remote working, while also bringing people together to strengthen our culture and foster a creative working environment.

Public Benefit

As required by the Charities Act 2011, the trustees have referred to the Charity Commission's general guidance on public benefit when setting up the Trust. The trustees will have due regard to the Charity Commission's general guidance on public benefit when making grants in future. In shaping our objectives for the year and planning our activities, the trustees have also considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

Financial Review

During the period, the charity received total income of £1.9m for use by the charity in pursuing its charitable objects. As per the Statement of Financial Activities on page 9 this resulted in a surplus for the year of £255k. This was ahead of forecast, primarily as the result of a successful reader donation campaign. Having closed our offices at UCL in March 2020 and switched to online delivery of training, we were able to keep costs under control. We did not have to make use of any government emergency schemes.

This surplus allows the charity to grow its reserves and places it in a stronger position in facing the uncertain period ahead.

Risk Management

1. Universities are not prepared or able to fund the project:

Even before COVID-19, the Higher Education sector was experiencing considerable external pressure and uncertainty. As a result, many institutions are reviewing all costs, which could lead to existing members failing to renew while new members prove hard to attract. To mitigate this risk, the company's retention strategy involves a focus on the benefits delivered to members, active monitoring of engagement and targeted increases to staff capacity to meet demand. We are also exploring appropriate diversification of revenue to help us mitigate sectoral shocks. Finally, we have considered a range of options to reduce our costs should a significant number of universities fail to renew.

2. Readership levels fall or fail to grow:

Breakdown of re-publishing relationships, SEO problems, poor content quality or relevance, or failure in marketing/social media efforts could halt growth, and diminish the power of the project. To mitigate

The Conversation Trust (UK) Limited

Report of the Trustees

this, normal editorial processes ensure that content is of a consistently high quality. We actively engage with republishers to help our stories reach a wider audience, and encourage regular readers to sign up for our newsletters.

3. Staffing problems:

Difficulty in attracting or retaining staff could make the editorial product difficult to deliver. This is mitigated by fostering an open and approachable management style allowing problems to be raised at an early stage and encouraging staff growth. Achievement is rewarded where appropriate.

4. Editorial issues:

With greater readership comes greater scrutiny of our stories, and an increased risk of legal action. TCUK's model depends on high quality content written by experts, so our stories are lower risk than other news outlets. To mitigate, we follow journalism best-practice, all editors receive training from media law experts, and potentially higher risk stories receive external legal scrutiny. In September 2019, TCUK joined IMPRESS, a press regulator which provides an external complaints management process, further reducing the risk of legal action.

5. Office Health & Safety:

An employee could be injured onsite or when working offsite. To mitigate, employer's liability insurance is up-to-date, staff are trained as fire marshalls and health and safety officers as appropriate, and trained emergency first-aiders available onsite. The Health & Safety risk-assessment will continue to be kept up-to-date and actioned appropriately. The main TCUK office has been closed since March 2020 and we have encouraged staff now working remotely to conduct health & safety assessments of their home working environments. We are making funds available to staff who need additional equipment to work at home safely.

Future Plans

The charity has attracted the majority of research-intensive UK universities as members. Future plans will focus on expanding membership to include further top-tier European universities and adjacent institutions, such as IROs, as well as a focus on expanding audiences both on-site and through republishers. Trust, Foundation and public (donation) funding will be explored further, but will remain secondary to membership revenue. In the short to medium term, we are focused on helping the UK HE sector through the current crisis – helping them engage with the public to demonstrate the value of research, and to ensure the public has access to high quality information about the virus. This has led to further collaboration with Research England and UKRI. In the longer term, the creation of a commercial trading subsidiary, Universal Impact, will help us broaden the ways we work with research institutions, providing additional income to support our core charitable mission.

Remuneration Policy

Salaries are benchmarked against similar organisations with final sign off being made by the Board of Trustees.

Reserves Policy

Unrestricted funds totalled £476,984 as at 31 July 2021 (2019: £333,066). Restricted funds totalled £129,477 as at 31 July 2021 (2019: £18,632). It is the policy of the Trust to maintain a reserve level equivalent to a minimum of four months outgoings, partly to guard against possible fluctuations in levels of membership as well as potential changes in the funding environment. Any loss of funding or membership income would likely take several months to replace. If such replacement were not possible, the reserves provide sufficient time for the Trust to adjust its outgoings accordingly. In addition, these reserves can provide a stronger bedrock for financial planning into subsequent financial years. Current reserves are in line with the Trust's target of three months outgoings, approximately £450,000. Free reserves (unrestricted general funds minus fixed assets) of the charity at 31 July 2021 were £462,237. In forward planning, trustees will ensure free reserves continue to meet the reserves policy.

The Conversation Trust (UK) Limited

Report of the Trustees

Going concern

The directors have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the company to continue as a going concern. The directors have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the directors have considered the company's forecast and projections and have taken account of the impact of the Coronavirus pandemic. The directors have carried out analysis on budget forecasts to 31 July 2023 for varying levels of reduction in memberships which make up the majority of the company's income streams. In each case the company is able to reduce its cost to match any potential fall in income up to 50%. On this basis the directors have concluded that the company has adequate resources to continue in operational existence for at least twelve months from the approval of the financial statements. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Appointment of new trustees

Potential Trustees are proposed to or approached by The Conversation's Nominations subcommittee. Recommendations are then put to the Board of Trustees to vote on. The executive officers are responsible for training Trustees and making them aware of their responsibilities. The Board of Trustees maintains a skills matrix of current members. When recruiting new Trustees, the Board aims to maintain a balance of skills and backgrounds to ensure a diverse mix of people.

Auditors

Moore Kingston Smith LLP have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act, it is proposed that they be re-appointed auditors for the ensuing year.

Statement of trustees' responsibilities

The trustees (who are also directors of The Conversation Trust (UK) Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- comply with applicable accounting standards, including FRS 102, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are explained in the financial statements;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the 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, Charities and Trustee Investment (Scotland) Act 2005 and Charities Accounts (Scotland) Regulations 2006. They are also responsible

The Conversation Trust (UK) Limited Report of the Trustees

for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

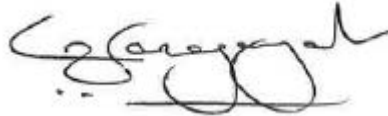
- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report has been prepared in accordance with the special provisions relating to small entities within Part 15 of the Companies Act 2006.

Approved by the Trustees on: 21/04/2022

and signed on their behalf by:

Professor Nishan Canagarajah (Chair)



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE CONVERSATION TRUST (UK) LIMITED

Opinion

We have audited the financial statements of The Conversation Trust (UK) Limited for the year ended 31 July 2021 which comprise the Statement of Financial Activities, the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 charitable company's affairs as at 31 July 2021 and its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011.

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 charitable company 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 charitable company'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 trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE CONVERSATION TRUST (UK) LIMITED

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' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has 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 charitable company 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 where the Companies Act 2006, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the Charities Act 2011 require us to report to you if, in our opinion:

- the charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, the Companies Act 2006 and Section 151 of the Charities Act 2011 and report to you in accordance with regulations made under those Acts.

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 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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE CONVERSATION TRUST (UK) LIMITED

irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF THE CONVERSATION TRUST (UK) LIMITED

inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006; and to the charity's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005, and in respect of the consolidated financial statements, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which 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 any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

Date 26 April 2022

Shivani Kothari, FCCA, DCha (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

The Conversation Trust (UK) Limited
Statement of Financial Activities
(incorporating the Income and Expenditure account)
For the year ended 31st July 2021

	Notes	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
Income from:					
Donations					
Grants and donations	2	167,086	421,606	588,692	151,480
Membership subscriptions		1,336,447	-	1,336,447	1,307,625
Gifts in Kind	3	18,000	-	18,000	90,000
Other income		1,365	-	1,365	3,060
Total		<u>1,522,898</u>	<u>421,606</u>	<u>1,944,504</u>	<u>1,552,165</u>
Expenditure on:					
Charitable Activities					
Advancement of education	5	<u>1,378,453</u>	<u>311,288</u>	<u>1,689,741</u>	<u>1,396,094</u>
Total		<u>1,378,453</u>	<u>311,288</u>	<u>1,689,741</u>	<u>1,396,094</u>
Net income	4	<u>144,445</u>	<u>110,318</u>	<u>254,763</u>	<u>156,071</u>
Net movement in funds		144,445	110,318	254,763	156,071
Funds as at 1 August 2020		332,539	19,159	351,698	195,627
Fund balances carried forward as at 31 July 2021	12	<u><u>476,984</u></u>	<u><u>129,477</u></u>	<u><u>606,461</u></u>	<u><u>351,698</u></u>

All activities in the year were attributable to continuing operations.

The accompanying notes form part of these financial statements.

The Conversation Trust (UK) Limited

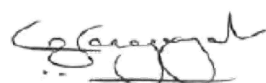
Balance Sheet as at 31st July 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible fixed assets	7		14,747		2,618
Current Assets					
Debtors	8	359,717		318,670	
Cash at bank and in hand		<u>630,136</u>		<u>443,294</u>	
		989,853		761,964	
Creditors: Amounts falling due within one year	9	<u>(398,139)</u>		<u>(412,884)</u>	
Net Current Assets			<u>591,714</u>		<u>349,080</u>
Total assets less current liabilities			606,461		351,698
			<u>606,461</u>		<u>351,698</u>
Net assets			<u>606,461</u>		<u>351,698</u>
Funds					
Unrestricted funds					
General Funds	10		476,984		333,066
Restricted funds	11		<u>129,477</u>		<u>18,632</u>
Total			<u>606,461</u>		<u>351,698</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved and authorised for issue by the Board on ...21/04/2022...

Signed on their behalf by:



.....
 Professor Nishan Canagarajah
 Trustee
 Company Number 08158264

The Conversation Trust (UK) Limited
Statement of Cash Flows
for the Year Ended 31 July 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash (used in)/ provided by operating activities	<u>202,730</u>	<u>62,973</u>
Cash flows from investing activities		
Payments to acquire tangible fixed assets	<u>(15,888)</u>	<u>(1,828)</u>
	<u>(15,888)</u>	<u>(1,828)</u>
Net increase/(decrease) in cash and cash equivalents	186,842	61,145
Cash and cash equivalents at beginning of year	<u>443,294</u>	<u>382,149</u>
Cash and cash equivalents at end of year	<u><u>630,136</u></u>	<u><u>443,294</u></u>
<hr/>		
Reconciliation of net income to net cash flow from operating activities		
	2021	2021
	£	£
Net income including endowments	254,763	156,071
Adjustments for:		
Depreciation charges	3,759	1,889
Increase in debtors	(41,047)	(112,599)
(Decrease)/increase in creditors	(14,745)	17,612
	<u> </u>	<u> </u>
Net cash (used in)/provided by operating activities	<u><u>202,730</u></u>	<u><u>62,973</u></u>

The Conversation Trust (UK) Limited

Notes to the Financial Statements

For the year ended 31st July 2021

1 Accounting Policies

1.1 Basis of preparation of financial statements

These financial statements are prepared on a going concern basis, under the historical cost convention.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company is a public benefit entity for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP), the Companies Act 2006, the Charities Act 2011 and Charities Accounts (Scotland) Regulations 2006 as amended by The Charities Accounts (Scotland) Amendment (No. 2) Regulations 2014.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest one thousand pounds.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

1.2 Going concern

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. The trustees are able to reliably forecast a high proportion of pipeline income by reviewing annual memberships and repeated or multi-year grants. On the basis of such forecasts the trustees have concluded that the company has adequate resources to continue in operational existence for at least twelve months from the approval of the financial statements. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

1.3 Income

All income is included in the Statement of Financial Activities when the Trust is entitled to the income and the amount can be quantified with reasonable accuracy.

Income received in advance is deferred where it would be repayable if conditions are not met in the future.

1.4 Gifts in kind

Where services are provided to the charity as a donation that would normally be purchased from suppliers, this contribution is included in the financial statements as an estimate based on the value of the contribution to the charity. Donated services and facilities are discussed in note 3.

1.5 Unrestricted funds

These resources arise from grants and donations provided for unrestricted purposes and from accumulated surpluses and deficits in the operations for charitable purposes and are expendable at the discretion of the trustees.

1.6 Designated funds

These funds have been designated for a particular purpose by the trustees.

1.7 Restricted funds

These funds arise from contributions made for specific purposes and are expended in accordance with these purposes.

The Conversation Trust (UK) Limited

Notes to the Financial Statements

For the year ended 31st July 2021

1.8 Expenditure

Expenditure is classified under the principal categories of charitable expenditure and the costs of raising funds rather than the type of expense, in order to provide more useful information to users of these accounts. Irrecoverable VAT is treated as an expense.

Charitable expenditure and costs of raising funds comprise direct expenditure attributable to the Trust. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of the resources.

1.9 Defined contribution pension plans

The charity operates a defined contribution plan for its employees. The contributions are recognised as an expense when they are due in the statement of financial activities. All contributions were paid during the year and there are no amounts outstanding at either the 2020 or 2019 year end.

1.10 Governance costs

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

1.11 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. A full year's depreciation is charged in the year of acquisition and none in the year of disposal.

Depreciation has been calculated at the following annual rates, in order to write off each asset over its estimated useful life.

Computer equipment *3 years straight line*

The charity's capitalisation policy is to capitalise individual assets costing over £500.

1.12 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

1.13 Financial Instrument

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

With the exceptions of prepayments and deferred income all other debtor and creditor balances are considered to be basic financial instruments under FRS 102. See notes 8 and 9 for the debtor and creditor notes.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

1.15 Critical accounting estimates and areas of judgement

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have most significant effect on amounts recognised in the financial statements.

- (i) The valuation of gifts in kind has been estimated as per note 1.4 and note 3.
- (ii) Useful Economic Lives - The annual depreciation charge for plant and equipment is sensitive to change in the estimated useful economic lives and residual value of assets. These are reassessed annually and amended where necessary to reflect current circumstances.

The Conversation Trust (UK) Limited
Notes to the Financial Statements
For the year ended 31st July 2021

2 Grants and donations	Unrestricted	Restricted	Total 2021	2020
	£	£	£	£
UNDRR	-	11,856	11,856	-
Independent Social Research Foundation	-	40,050	40,050	12,500
UK Research and Innovation	-	369,700	369,700	60,900
COST Action	-	-	-	9,027
Individual donations	167,086	-	167,086	69,053
	<u>167,086</u>	<u>421,606</u>	<u>588,692</u>	<u>151,480</u>

All grants and donations in 2020 were restricted except for the individual donations which are unrestricted.

3 Gifts in Kind

An estimate of the support in kind, based on the value of the contribution to the charity, has been included as a donation and a cost, at amounts summarised below:

	2021	2020
	£	£
Rent and utilities	<u>18,000</u>	<u>90,000</u>

4 Net income

The net income for the year is stated after charging:

	2021	2020
	£	£
Auditor's remuneration - audit fee current year	6,960	7,618
Auditor's remuneration - prior year	1,098	-
Other non-audit services	1,030	-

5 Expenditure

	Staff Costs	Direct Costs	Support costs	Total 2021
	(note 6)		(note 5a)	
		£	£	£
Charitable Activities				
Public Learning	1,383,326	124,110	182,305	1,689,741
	<u>1,383,326</u>	<u>124,110</u>	<u>182,305</u>	<u>1,689,741</u>
	Staff Costs	Direct Costs	Support costs	Total 2020
	(note 6)		(note 5a)	
		£	£	£
Charitable Activities				
Public Learning	1,098,577	130,737	166,780	1,396,094
	<u>1,098,577</u>	<u>130,737</u>	<u>166,780</u>	<u>1,396,094</u>

Staff costs include £271,355 (2020: £75,300) of expenditure funded by restricted grants, see note 11.

5a Support costs

	2021	2020
	£	£
Office costs	46,597	109,494
Legal and professional fees	12,553	8,070
Insurance	10,745	2,250
Interest paid and bank charges	3,701	2,262
Travel	656	20,267
Depreciation	3,759	1,889
Marketing	89,564	14,930
Governance costs	14,730	7,618
	<u>182,305</u>	<u>166,780</u>

The Conversation Trust (UK) Limited
Notes to the Financial Statements
For the year ended 31st July 2021

6	Staff costs	2021	2020
		£	£
	Salaries and wages	1,099,814	932,394
	Social security costs	119,029	94,177
	Employers pension contributions	54,381	23,944
	Freelance costs	110,102	48,062
		<u>1,383,326</u>	<u>1,098,577</u>

No employee (2020: one) earned between £70,001 - £80,000 in the year.

One employee (2020: none) earned between £80,001 - £89,999 in the year.

One employee (2020: one) earned between £90,001 - £99,999 in the year.

Key management personnel includes the trustees, Chief Executive (and three senior staff reporting directly to the Chief Executive). The total employee benefits of the charity's key management personnel were £312,655 (2020: £315,863). No trustee received any remuneration as part of this figure. Total pension payments included in this amount were £5,145 (2020: £5,263).

The average number of employees (including casual and part time staff) during the year was as follows:

	2021	2020
Employees	<u>27</u>	<u>24</u>

7 Tangible Fixed Assets

		Computer & office equipment
		£
Cost		
As at 1 August 2020		23,247
Additions		15,888
As at 31 July 2021		<u>39,135</u>
Depreciation		
As at 1 August 2020		20,629
Charge in year		3,759
As at 31 July 2021		<u>24,388</u>
Net book value		
As at 31 July 2021		<u>14,747</u>
As at 31 July 2020		<u>2,618</u>

8	Debtors	2021	2020
		£	£
	Other debtors	327,838	292,786
	Prepayments and accrued income	31,879	25,884
		<u>359,717</u>	<u>318,670</u>

9	Creditors: Amounts falling due within one year	2021	2020
		£	£
	Trade creditors	51,566	48,301
	Accruals and deferred income	346,573	364,583
		<u>398,139</u>	<u>412,884</u>

The Conversation Trust (UK) Limited
Notes to the Financial Statements
For the year ended 31st July 2021

9 Creditors: Amounts falling due (continued)
within one year

Deferred income in 2021 relates to membership for the next financial year.

	2021 £	2020 £
Brought forward	359,083	388,375
Amount added	338,833	359,083
Amount released	<u>(359,083)</u>	<u>(388,375)</u>
Carried forward	<u>338,833</u>	<u>359,083</u>

10 Unrestricted Funds

	As At 1 August 2020 £	Income £	Expenditure £	Transfers £	As At 31 July 2021 £
General Fund	<u>332,539</u>	<u>1,522,898</u>	<u>(1,378,453)</u>	<u>-</u>	<u>476,984</u>

	As At 1 August 2019 £	Income £	Expenditure £	Transfers £	As At 31 July 2020 £
General Fund	<u>174,646</u>	<u>1,469,738</u>	<u>(1,311,845)</u>	<u>-</u>	<u>332,539</u>

11 Restricted funds

	As At 1 August 2020 £	Income £	Expenditure £	Transfers £	As At 31 July 2021 £
(b) Lloyds Register Foundation	20,981	-	(20,981)	-	-
(b) Independent Social Research Foundation	12,425	40,050	(52,475)	-	-
(b) UK Research and Innovation	(14,774)	369,700	(225,449)	-	129,477
(a) COST Action	527		(527)		-
(a) United Nations Office for Disaster Risk Reduction	-	11,856	(11,856)		-
	<u>19,159</u>	<u>421,606</u>	<u>(311,288)</u>	<u>-</u>	<u>129,477</u>

	As At 1 August 2019 £	Income £	Expenditure £	Transfers £	As At 31 July 2020 £
(b) Lloyds Register Foundation	20,981			-	20,981
(b) Independent Social Research Foundation	-	12,500	(75)	-	12,425
(b) UK Research and Innovation	-	60,900	(75,674)	-	(14,774)
(a) COST Action	-	9,027	(8,500)		527
	<u>20,981</u>	<u>82,427</u>	<u>(84,249)</u>	<u>-</u>	<u>19,159</u>

The Conversation Trust (UK) Limited
Notes to the Financial Statements
For the year ended 31st July 2021

11 Restricted funds (contined)

- (a) The charity received a grant to report on specific topical events.
(b) The charity received a grant to fund a specific editor/intern role.

12 Analysis of Net Assets between Funds

	General £	Restricted £	2021 Total Funds £
Fund balances at 31st July 2021 represented by:			
Fixed assets	14,747	-	14,747
Net current assets	462,237	129,477	591,714
Total net assets	476,984	129,477	606,461
	General £	Restricted £	2020 Total Funds £
Fund balances at 31st July 2020 represented by:			
Fixed assets	2,618	-	2,618
Net current assets	328,099	20,981	349,080
Long term liabilities			
Total net assets	330,717	20,981	351,698

13 Transactions with Trustees

There was no remuneration paid to the trustees during the period.

No trustees (2020: two) were reimbursed (2020: £187) travel and subsistence expenses in the period.

14 Related party transactions

During the year one trustee (2020: one) made donations of £250 (2020: £100) to The Conversation Trust.

There were no other related party transactions during the year (2020: none).

15 Limited Liability

The company is limited by guarantee and has no share capital. In the event of it winding up the liability of each member is limited to £1.