

**European Cyber Conflict Research Initiative**  
**Unaudited Financial Statements**  
**31 December 2021**

**WESTCOTTS**

Chartered Accountants  
47 Boutport Street  
Barnstaple  
Devon  
EX31 1SQ

# **European Cyber Conflict Research Initiative**

## **Financial Statements**

**Period ended 31 December 2021**

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	<b>Page</b>
Trustees' annual report	<b>1 - 3</b>
Independent examiner's report to the trustees	<b>4</b>
Statement of financial activities	<b>5</b>
Statement of financial position	<b>6</b>
Notes to the financial statements	<b>7 - 11</b>

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# European Cyber Conflict Research Initiative

## Trustees' Annual Report

### Period ended 31 December 2021

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The trustees present their report and the unaudited financial statements of the charity for the Period ended 31 December 2021.

#### Reference and administrative details

<b>Registered charity name</b>	European Cyber Conflict Research Initiative	
<b>Charity registration number</b>	1190782	
<b>Principal office</b>	47 Boutport Street Barnstaple EX31 1SQ	
<b>The trustees</b>	Dr Monica Kaminska	(Appointed 10 August 2020)
	Dr Max Smeets	(Appointed 10 August 2020)
	Dr James Shires	(Appointed 10 August 2020)
<b>Independent examiner</b>	Catherine Williams ACA DChA Westcotts 47 Boutport Street Barnstaple Devon EX31 1SQ	

#### Structure, governance and management

The charity is a Charitable Incorporated Organisation governed by a formal constitution adopted 10 August 2020.

The Trustees meet regularly to review the progress of the Charity and to make strategy decisions regarding its future. An advisory board of 12 members are consulted on decisions as required by the CIO constitution.

#### Trustee recruitment and induction process

New trustees would be recruited based on expressions of interest, vetted by the existing trustees (via interview if necessary). Proposed new trustees would be nominated by existing trustees to the board in the AGM and then confirmed. They would then have a handover period with the trustee they replaced (if applicable), and induction meetings with the other trustees and key staff (e.g. managers of the Fellowship programme and the seminar). No new trustees have been recruited yet.

# European Cyber Conflict Research Initiative

## Trustees' Annual Report *(continued)*

Period ended 31 December 2021

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### Objectives and activities

The objects of the charity are to advance education for the public benefit in relation to cyber conflict and statecraft including;

1. Promoting the study and/or facilitating the informed analysis of issues such as national cyber strategies, technologies used for conducting and defending against cyber attacks, private-public sector partnerships and regional co-operation to prevent or reduce cyber conflict
2. Promoting an understanding of cyber conflict and statecraft
3. Establishing arrangements for collaboration in respect of cyber conflict studies. Mentoring and research with and/or between national and international universities (all colleges, faculties and departments within them), the government of the UK and other nations, non-governmental non-profit bodies and other similar organisations involved with such work.

### Public Benefit

The Trustees consider the objectives of the charity, as stated above, comply with the Charity Commission Public Benefit requirements. The Trustees unanimously agree that the requirement for due regard to the public benefit guidance are satisfied.

### Activities

The 'core program' of ECCRI consisted of three main parts: The Big Cyber Ideas Festival (BCIF), The Cyber Security Seminar (CSS) and the European Cybersecurity Fellowship (ECF). We have made significant progress to establish all three programs.

#### *BCIF*

The 2021 edition of the Big Cyber Ideas Festival took place from September 21-23, 2021, with the purpose of exploring key questions for cyber security and digital policy in Europe. We hosted three virtual sessions across three days for practitioners, researchers, and the interested public. We brought together academic, government, and private sector experts to catalyze wide-reaching conversations on key policy developments. The session topics tackled key questions around cybersecurity journalism, public attribution of cyber operations, and global perspectives on European cyber policy.

#### *ECF*

This year we have also been working hard to establish the European Cybersecurity Fellowship. This year-long program attracts and develops highly talented young European professionals who are interested in accelerating their career in cybersecurity policy. The application deadline for this fellowship was December 20, 2021. The program start date is February 1, 2022. The Fellowship will accept up to 12 fellows.

#### *ECS*

The European Cybersecurity Seminar (ECS) provides cybersecurity researchers and practitioners with a platform to present and get feedback on research projects and papers. We hold monthly hour-long seminar meetings where participants can present research to the community. To ensure high-quality feedback, for each presentation ECS will identify and assign an expert discussant to each paper who will provide detailed comments, before opening up the discussion to all participants. This Seminar has three main goals. First, it promotes cutting-edge research and interdisciplinary dialogue. Second, it aims to foster a community of trust among Europe's cybersecurity experts. Third, it aspires to support junior scholars who may lack local networks providing guidance since cybersecurity remains an emerging field of research. To that end, we explicitly welcome submissions by junior scholars.

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# European Cyber Conflict Research Initiative

## Trustees' Annual Report *(continued)*

Period ended 31 December 2021

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### Achievements and performance

#### *BCIF*

We have measured the impact of Big Cyber Ideas Festival 2021 edition by looking at the number of registrations. In total, we had 310 sign ups. We promoted our event through our mailing list, partner institutions and social media. Over 12000 people engaged with our posts about the BCIF in twitter. The twitter profile for the event now has 510 followers: [@BigCyberIdeas](https://twitter.com/BigCyberIdeas)

#### *ECF*

We received 63 applications from a wide range of backgrounds and across a plethora of highly renowned institutions. We are currently setting up several partnerships for the fellowship program..

#### *ECS*

The ECS is currently well-attended considering its purposes. For the first session we had over 60 participants. For the later sessions participation dropped to 20-35. The goal of the ECS is not to reach as wide audience as possible, but instead make sure we develop community of experts that comments on each other's work on a regular basis. We are not planning any significant changes to the program the coming year.

### Financial review

During the year we received an unrestricted grant of 70,000 USD (£49,593) from The William and Flora Hewlett Foundation. This has helped to establish ECCRI's administrative and operational structure as well as launching the abovementioned projects. At the year-end expenditure totalled £5,528 with the lion's share of the budget provided by the grant expected to be spent in the first half of 2022. The main costs are expected to be the fellowship program from February (speakers fees, travel grants, and a fellowship manager) and the conference in May (venue in Tallinn and travel costs). Total funds carried forward to 2022 are £44,065.

29/10/2022

The trustees' annual report was approved on ..... and signed on behalf of the board of trustees by:



Dr James Shires  
Trustee

# European Cyber Conflict Research Initiative

## Independent Examiner's Report to the Trustees of European Cyber Conflict Research Initiative

Period ended 31 December 2021

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I report to the trustees on my examination of the financial statements of European Cyber Conflict Research Initiative ('the charity') for the Period ended 31 December 2021.

### Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

### Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Catherine Williams ACA DChA  
Westcotts  
Independent Examiner  
47 Boutport Street  
Barnstaple  
Devon  
EX31 1SQ

31<sup>st</sup> October 2022

# European Cyber Conflict Research Initiative

## Statement of Financial Activities

Period ended 31 December 2021

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		2021	
	Note	Unrestricted funds £	Total funds £
<b>Income and endowments</b>			
Donations and legacies	4	49,593	49,593
<b>Total income</b>		<u>49,593</u>	<u>49,593</u>
<b>Expenditure</b>			
Expenditure on charitable activities	5,6	5,528	5,528
<b>Total expenditure</b>		<u>5,528</u>	<u>5,528</u>
<b>Net income and net movement in funds</b>		<u>44,065</u>	<u>44,065</u>
<b>Reconciliation of funds</b>			
Total funds brought forward		—	—
<b>Total funds carried forward</b>		<u>44,065</u>	<u>44,065</u>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

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The notes on pages 7 to 11 form part of these financial statements.

# European Cyber Conflict Research Initiative

## Statement of Financial Position

31 December 2021

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	Note	2021 £
<b>Current assets</b>		
Cash at bank and in hand		44,965
<b>Creditors: amounts falling due within one year</b>	12	900
<b>Net current assets</b>		<u>44,065</u>
<b>Total assets less current liabilities</b>		<u>44,065</u>
<b>Net assets</b>		<u>44,065</u>
 <b>Funds of the charity</b>		
Unrestricted funds		44,065
<b>Total charity funds</b>	13	<u>44,065</u>

These financial statements were approved by the board of trustees and authorised for issue on 29/10/2022, and are signed on behalf of the board by:



Dr James Shires  
Trustee

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The notes on pages 7 to 11 form part of these financial statements.



# European Cyber Conflict Research Initiative

## Notes to the Financial Statements

Period ended 31 December 2021

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### 1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is incorporated. The address of the principal office is 47 Boutport Street, Barnstaple, EX31 1SQ.

### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', 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 (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

### 3. Accounting policies

#### Basis of preparation

The financial statements have been prepared on the historical cost basis. This is the first set of the accounts prepared by the charity and these cover the period 10<sup>th</sup> August 2020 to 31<sup>st</sup> December 2021.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### Going concern

There are no material uncertainties about the charity's ability to continue.

#### Disclosure exemptions

Under Charities SORP (FRS 102), the charity is classed as a small charity and has therefore taken the exemption from the requirement to prepare a cashflow statement.

#### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the statement of financial activities.

# European Cyber Conflict Research Initiative

## Notes to the Financial Statements *(continued)*

Period ended 31 December 2021

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### 3. Accounting policies *(continued)*

#### Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

#### Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

# European Cyber Conflict Research Initiative

## Notes to the Financial Statements *(continued)*

Period ended 31 December 2021

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### 3. Accounting policies *(continued)*

#### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

#### Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

### 4. Donations and legacies

	Unrestricted Funds £	Total Funds 2021 £
<b>Grants</b>		
Grants receivable	49,593	49,593

# European Cyber Conflict Research Initiative

## Notes to the Financial Statements *(continued)*

Period ended 31 December 2021

### 5. Expenditure on charitable activities by fund type

	Unrestricted Funds	Total Funds 2021
	£	£
Charitable activities	2,550	2,550
Support costs	2,978	2,978
	<u>5,528</u>	<u>5,528</u>

### 6. Expenditure on charitable activities by activity type

	Activities undertaken directly	Support costs	Total funds 2021
	£	£	£
Charitable activities	<u>2,550</u>	<u>2,978</u>	<u>5,528</u>

### 7. Analysis of support costs

	Charitable activities	Total 2021
	£	£
Website costs	815	815
Independent examination fees	900	900
Foreign exchange	1,139	1,139
Bank charges	82	82
Sundry expenses	42	42
	<u>2,978</u>	<u>2,978</u>

### 8. Net income

Net income is stated after charging/(crediting):

	2021
	£
Foreign exchange differences	<u>1,139</u>

### 9. Independent examination fees

	2021
	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>900</u>

### 10. Staff costs

During the year, the charity did not employ any staff.

# European Cyber Conflict Research Initiative

## Notes to the Financial Statements *(continued)*

Period ended 31 December 2021

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### 11. Trustee remuneration and expenses

During the year no remuneration was paid to Trustees.

During the year £2,138 was repaid to a Trustee to reimburse working capital loans and expenses paid on behalf of the charity.

### 12. Creditors: amounts falling due within one year

	2021 £
Accruals and deferred income	900

### 13. Analysis of charitable funds

#### Unrestricted funds

	At 1 January 2021 £	Income £	Expenditure £	At 31 December 2021 £
General funds	—	49,593	(5,528)	44,065

During the period the charity did not receive any restricted funds.

### 14. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2021 £
Current assets	44,965	44,965
Creditors less than 1 year	(900)	(900)
<b>Net assets</b>	<b>44,065</b>	<b>44,065</b>

### 15. Related parties

During the period there were no related party transactions.