

**Charity No. 328694**

**Trust for Research and Education on the Arms Trade  
(TREAT)**

**Report and Accounts**

**For the year ended 30 June 2023**

**Unit 1.9  
The Green House  
244-254 Cambridge Heath Road  
London E2 9DA**

# Trust for Research and Education on the Arms Trade

## Trustees' Report

For the Year Ended 30 June 2023

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The trustees present their report and accounts of the charity for the year ended 30 June 2023.

The trustees have complied with the duty to have due regard to guidance issued by the Charity Commission.

### LEGAL AND ADMINISTRATIVE INFORMATION

Charity name: Trust for Research and Education on the Arms Trade  
also known as TREAT

Charity registration number: 328694

Principal office: Unit 1.9, The Green House, 244-254 Cambridge Heath Road,  
London E2 9DA

### Trustees

The following served as trustees during the year and continue to serve to the date of this report unless indicated otherwise:

Helen Close	
Chris Cole	
Jon Nott	Secretary
Nicholas Gilby	
Anna Stavrianakis	

**Independent Examiner** Harry Nicolaou FCA FCCA of Harry Nicolaou & Co Limited  
Chartered Accountants  
21 Brendon Way, Enfield EN1 2LF

**Bankers** The Co-operative Bank  
1 High Street, Islington, London N1 9TR

### STRUCTURE, GOVERNANCE AND MANAGEMENT

#### Governing document

Trust for Research and Education on the Arms Trade (TREAT) is an unincorporated body governed by its Trust Deed dated 27 June 1990 as amended by a Supplemental Trust Deed dated 20 July 2006. It was registered as a charity on 4 July 1990.

On 17 March 2003 the Charity Commission issued a Certificate of Incorporation of the trustees in the name of "The Trustees of the Trust for Research and Education on the Arms Trade".

#### Recruitment and appointment of trustees

In accordance with the Trust Deed the number of trustees must be at least three and not more than 12. New trustees must be suitably qualified and are appointed by existing trustees. New trustees are provided with suitable material.

#### Organisational structure

The trustees meet several times per year, as and when necessary. They are responsible for the strategic policy and direction of the charity. The day to day responsibility for the provision of services rests with the Secretary.

# Trust for Research and Education on the Arms Trade

## Trustees' Report

For the Year Ended 30 June 2023

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### OBJECTIVES

The object of the charity is to promote research into the international arms trade and its effects, and to disseminate the results of such research.

### ACTIVITIES

The trustees, in planning the activities for the year, have had due regard to Charity Commission guidance on public benefit.

The charity derives its income mainly from grant-giving bodies and from legacies and donations from supporters. The principal funding sources in the year are given in notes 2 and 3 of the accounts. The charity fulfils its objects primarily through awarding grants to appropriate organisations. The main beneficiary is the Campaign Against Arms Trade (CAAT).

During the year grants of £271,508 (2022 £272,362) were awarded to CAAT. Other grants awarded are as shown in Note 4 of the accounts.

### FINANCIAL REVIEW

Unrestricted funds have decreased by £20,209 which have been subtracted from unrestricted funds brought forward, resulting in £85,700 (2022 £105,909) to carry forward. Restricted funds have increased by £18,146 which have been added to restricted funds brought forward, resulting in £42,080 (2022 £23,934) to carry forward.

### RESERVES POLICY

Free Reserves are unrestricted funds £85,700 less designated funds £54,380, that is £31,320. The trustees have developed the following policy with respect to reserves:

**(a) Running costs £5,000**

Including payment for office space which we use, payment for management and other work carried out directly on TREAT's behalf and for the purchase or hire of resources used by TREAT or on TREAT's behalf. ***We have agreed that reserves are required to ensure we are able to pay for office space for one year, and to have one year's funding for all other items.***

**(b) Continuing Work £20,000**

This includes items of work which TREAT is already committed to funding and would wish to continue, including grants made to CAAT and other bodies for ongoing work. ***We have agreed that reserves are required to ensure we have one year's funding for these items.***

**(c) Working Capital £10,000**

This should be sufficient to ensure that we have the necessary finances to allow for a planned process of funding projects in accordance with our Donation Policy (rather than having to wait until funds arrive before any new projects can be funded). There should also be sufficient funds available to cover small urgent calls on TREAT as a funding body and to allow us to develop our funding strategy by proactively seeking new projects which we would wish to fund. ***We have agreed that a sum of £10,000 is at present appropriate as a guideline figure, but that this should be reviewed periodically.***

The foregoing would indicate that the approximate level of our reserves should normally be in the region of £35,000. As at 30 June 2023 they stood at £31,320.

### RISK MANAGEMENT

The trustees have identified the major risks to which the charity is exposed. These are reviewed annually and minimised as far as possible.

Approved by the trustees on 15 APRIL 2024 and signed on their behalf by:

  
.....  
Jon Nott  
Trustee and Secretary

## **INDEPENDENT EXAMINER'S REPORT**

### **To the Trustees of Trust for Research and Education on the Arms Trade**

I report on the accounts of the Trust for the year ended 30 June 2023 which are set out on pages 4 to 11.

#### **Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

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

#### **Basis of independent examiner's report**

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

#### **Independent examiner's statement**

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

(1) which gives me reasonable cause to believe that, in any material respect, the requirements:

- to keep accounting records in accordance with section 130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Harry Nicolaou FCA FCCA  
Independent examiner  
of  
Harry Nicolaou & Co Limited

21 Brendon Way  
Enfield  
EN1 2LF

18 April 2024

# Trust for Research and Education on the Arms Trade

## Statement of Financial Activities

For the year ended 30 June 2023

	Note	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
<b>Income from:</b>					
Donations and legacies	2	3,197	1,543	4,740	51,255
Charitable activities					
Grants	3	-	268,821	268,821	257,290
Investments					
Bank interest		625	-	625	257
<b>Total income</b>		<b>3,822</b>	<b>270,364</b>	<b>274,186</b>	<b>308,802</b>
<b>Expenditure on:</b>					
Charitable activities					
Grants to beneficiaries	4	7,687	268,821	276,508	298,162
Support costs	5	400	-	400	400
Governance costs	5	15,944	(16,603)	(659)	20,780
<b>Total resources expended</b>		<b>24,031</b>	<b>252,218</b>	<b>276,249</b>	<b>319,342</b>
<b>Net deficit for the year and net movement of funds</b>	8	<b>(20,209)</b>	<b>18,146</b>	<b>(2,063)</b>	<b>(10,540)</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward 30 June 2022		105,909	23,934	129,843	140,383
<b>Total funds carried forward 30 June 2023</b>	11	<b>85,700</b>	<b>42,080</b>	<b>127,780</b>	<b>129,843</b>


# Trust for Research and Education on the Arms Trade

## Balance Sheet

As at 30 June 2023

	Note	2023 £	2022 £
<b>Current assets</b>			
Other debtors	9	109,730	-
Cash at bank and in hand		60,038	190,870
		<u>169,768</u>	<u>190,870</u>
<b>Creditors: Amounts falling due within one year</b>	10	<u>(41,988)</u>	<u>(61,027)</u>
<b>Net current assets and net assets</b>	11	<u>127,780</u>	<u>129,843</u>
 <b>The funds of the charity:</b>			
Unrestricted funds: General funds		31,320	60,429
Designated funds		<u>54,380</u>	<u>45,480</u>
	12	85,700	105,909
Restricted funds	13	42,080	23,934
		<u>127,780</u>	<u>129,843</u>

Approved by the trustees on 15 APRIL 2024 and signed on their behalf by:

  
 .....  
 Jon Nott  
 Trustee

# Trust for Research and Education on the Arms Trade

## Notes to the Accounts

For the Year Ended 30 June 2023

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### 1. Accounting policies

#### Basis of accounting

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for twelve months from authorising these accounts and have decided that the charity is able to continue as a going concern.

#### Income

Income is received by way of donations, grants and legacies and is recognised once the charity has entitlement to the income, there is sufficient certainty of receipt and so it is probable that the income will be received, and the amount of income receivable can be measured reliably.

#### Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that a settlement will be required and the amount of the obligation can be measured reliably. Expenditure is inclusive of VAT. Grants to beneficiaries include grants agreed for payment in future periods.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity.

#### Fund accounting

Restricted funds are grants, donations and legacies which are to be used for specific purposes as laid by the donor. Expenditure which meets these criteria is charged to the fund.

Designated funds are unrestricted funds put aside by the trustees for specific purposes.

Unrestricted funds are grants, donations and legacies receivable for the objects of the charity without further specified purpose and are available as general funds.

#### Debtors

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

#### Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

# Trust for Research and Education on the Arms Trade

## Notes to the Accounts

For the Year Ended 30 June 2023

### 2. Donations and legacies received

	2023 £	2022 £
<b>Unrestricted:</b>		
Donations	3,197	7,121
Legacies	-	10,000
	<b>3,197</b>	<b>17,121</b>
<b>Restricted:</b>		
Donations	1,543	1,370
Legacies	-	32,764
	<b>1,543</b>	<b>34,134</b>
	<b>4,740</b>	<b>51,255</b>

### 3.

#### Grants received

	2023 £	2022 £
<b>Restricted:</b>		
The Joseph Rowntree Charitable Trust	112,821	89,790
Tolkien Trust	145,000	145,000
Serve All Trust	10,000	10,000
Cadbury Trust	1,000	-
Polden Puckham	-	10,000
W F Southall Trust	-	2,500
	<b>268,821</b>	<b>257,290</b>

Continued



# Trust for Research and Education on the Arms Trade

## Notes to the Accounts

For the Year Ended 30 June 2023

### 4. Grants to beneficiaries

	Unrestricted funds £	Joseph Rowntree Charitable Trust Restricted £	Tolkien Trust Restricted £	Serve All Trust Restricted £	Cadbury Trust Restricted £	Total restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>Institutional grants</b>								
<b>Grants awarded to CAAT:</b>								
For research programme	-	60,397	58,456	10,000	-	128,853	128,853	77,750
For the cost of the European Network Against Arms Trade's employment of an EU Programme Officer	-	-	-	-	-	-	-	47,040
For the European Network Against Arms Trade's research project	-	28,896	-	-	-	28,896	28,896	-
For its worker in Scotland	-	4,767	19,557	-	-	24,324	24,324	22,500
For its charitable work	-	-	-	-	1,000	1,000	1,000	97,500
For reference materials	2,687	-	-	-	-	-	2,687	2,572
For Training & Events	-	175	809	-	-	984	984	5,000
For Outreach	-	4,768	19,557	-	-	24,325	24,325	5,000
For Browsers	-	9,050	34,621	-	-	43,671	43,671	15,000
For Universities	-	4,768	12,000	-	-	16,768	16,768	-
	<b>2,687</b>	<b>112,821</b>	<b>145,000</b>	<b>10,000</b>	<b>1,000</b>	<b>268,821</b>	<b>271,508</b>	<b>272,362</b>
<b>Other grants awarded:</b>								
<b>Demilitarise Education</b> - for its work	5,000	-	-	-	-	-	5,000	-
<b>Drone Wars UK</b> - for its research programme and work	-	-	-	-	-	-	-	5,000
<b>Shoal Collective</b> - for its work on Turkish arms companies and the international companies supplying arms to Turkey	-	-	-	-	-	-	-	5,000
<b>Omega</b> - for database development	-	-	-	-	-	-	-	500
<b>Corruption Watch</b> - Corruption Tracker and UK Undredacted	-	-	-	-	-	-	-	10,000
<b>WRI</b> - for their work on arms sales to West Papua	-	-	-	-	-	-	-	5,000
<b>ICES</b> - for conference participation	-	-	-	-	-	-	-	300
	<b>7,687</b>	<b>112,821</b>	<b>145,000</b>	<b>10,000</b>	<b>1,000</b>	<b>268,821</b>	<b>276,508</b>	<b>298,162</b>

# Trust for Research and Education on the Arms Trade

## Notes to the Accounts

For the Year Ended 30 June 2023

### 5. Support and governance costs

	2023 £	2022 £
<b>Expenditure incurred on:</b>		
Administration overheads, postage etc	2,000	2,000
	<u>2,000</u>	<u>2,000</u>

An annual payment of £2,000, as shown above, is made to Campaign Against Arms Trade. This is a contribution to administrative overheads provided by CAAT including photocopying of minutes and other trustees' papers, staff time in preparing, postage, etc.

In the opinion of the trustees, 20% represents the support costs of grant-making from unrestricted funds and 80% of the above costs are attributable to the governance of the charity.

<b>Support costs</b>	(20%)	<u>400</u>	<u>400</u>
<b>Governance costs:</b>	(80%)	1,600	1,600
	Independent examination	2,400	1,900
	*Legal fees -property dispute	(16,603)	16,603
	**Legal fees - validity of will dispute	11,100	-
	Other	844	677
		<u>(659)</u>	<u>20,780</u>

\*Legal fees paid in the previous year from the Swash restricted fund have been incurred in relation to securing TREAT's interests in the property of the Estate. As these fees are recoverable, they have been transferred to debtors.

\*\*Legal fees paid this year have been incurred in securing TREAT's interests as residuary beneficiary in the will of Swash. These fees are not recoverable.

### 6. Trustees' remuneration and expenses

The trustees received no remuneration during the year (year to 30 June 2022: Nil). Expenses of £160 were reimbursed to two trustees (year to June 2022: Nil).

### 7. Taxation

Trust for Research and Education on the Arms Trade is a registered charity applying all its income for charitable purposes and consequently is not liable to direct taxation.

### 8. Net outgoing resources for the year

		2023 £	2022 £
This is stated after charging:			
Fees payable to the Independent Examiner for:			
	Accountancy	1,500	1,100
	Independent Examination	900	800
		<u></u>	<u></u>
	<b>Total</b>	<u>2,400</u>	<u>1,900</u>

# Trust for Research and Education on the Arms Trade

## Notes to the Accounts

For the Year Ended 30 June 2023

### 9 Debtors

	2023	2022
	£	£
Other debtors	109,730	-
	<b>109,730</b>	<b>-</b>

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

	2023	2022
	£	£
Trade creditors	34,588	1,327
Other creditors	7,400	59,700
	<b>41,988</b>	<b>61,027</b>

### 11. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Other debtors	109,730	-	109,730
Cash at bank and in hand	15,735	44,303	60,038
Creditors of not more than one year	(39,765)	(2,223)	(41,988)
<b>Net assets at 30 June 2023</b>	<b>85,700</b>	<b>42,080</b>	<b>127,780</b>

### 12. Unrestricted funds

	At 30 June 2022	Incoming resources	Outgoing resources	At 30 June 2023
	£	£	£	£
<b>General funds</b>	60,429	3,822	(12,931)	51,320
Transfer to Designated funds: Swash legacy legal fees to prove validity of will	-	-	(20,000)	(20,000)
	<b>60,429</b>	<b>3,822</b>	<b>(32,931)</b>	<b>31,320</b>
<b>Designated funds</b>				
Transfer from General Funds	-	20,000	-	20,000
Swash legacy legal fees paid in year	-	-	(11,100)	(11,100)
ENNAT fund	30,000	-	-	30,000
Shadow World Investigations (formerly Corruption Watch) - for its project "A Very British Kleptocracy"	15,480	-	-	15,480
	<b>45,480</b>	<b>20,000</b>	<b>(11,100)</b>	<b>54,380</b>
<b>Total unrestricted funds</b>	<b>105,909</b>	<b>23,822</b>	<b>(44,031)</b>	<b>85,700</b>

# Trust for Research and Education on the Arms

## Notes to the Accounts

For the Year Ended 30 June 2023

### 13. Statement of restricted funds

Donor	Joseph Rowntree Charitable Trust £	Tolkien Trust £	Serve All Trust £	A Lacey restricted legacy £	Willy Bach restricted legacy £	Reena Partridge restricted legacy £	*Swash restricted legacy £	Cadbury Trust £	Various restricted other legacies and donations £	Total restricted funds 2023 £	Total restricted funds 2022 £
Balance at 30 June 2022	-	-	-	2,500.00	10,000.00	22,764.00	(16,603.00)	-	5,271.50	23,932.50	8,901.50
Incoming resources from donors	112,821.00	145,000.00	10,000.00	-	-	-	-	1,000.00	1,545.00	270,366.00	291,424.00
Transfer to debtors	-	-	-	-	-	-	16,603.00	-	-	16,603.00	-
Resources expended	(112,821.00)	(145,000.00)	(10,000.00)	-	-	-	-	(1,000.00)	-	(268,821.00)	(276,393.00)
<b>Balance at 30 June 2023</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,500.00</b>	<b>10,000.00</b>	<b>22,764.00</b>	<b>-</b>	<b>-</b>	<b>6,816.50</b>	<b>42,080.50</b>	<b>23,932.50</b>

All restricted funds have been expended for the purposes set out in Note 4, being the purposes for which they were given.

\*The payment of legal fees relating to the Swash legacy has been transferred to debtors as these fees are recoverable.