

Charity No. 328694

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

Report and Accounts

For the year ended 30 June 2024

**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 2024

The trustees present their report and accounts of the charity for the year ended 30 June 2024.

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 2024

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).

FINANCIAL REVIEW

Unrestricted funds have decreased by £64,537 which have been subtracted from unrestricted funds brought forward, resulting in £23,850 (2023 £85,700) to carry forward. Restricted funds have increased by £18,509 which have been added to restricted funds brought forward, resulting in £57,902 (2023 £42,080) to carry forward.

RESERVES POLICY

Free Reserves are unrestricted funds £23,850 less designated funds £15,480, that is £8,370. 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 2024 they stood at £8,370.

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 21 APRIL 2025 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 2024 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
24 April 2025

Trust for Research and Education on the Arms Trade

Statement of Financial Activities

For the year ended 30 June 2024

	Note	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
Income from:					
Donations and legacies	2	3,501	71,860	75,361	4,740
Charitable activities					
Grants	3	-	213,830	213,830	268,821
Investments					
Bank interest		993	-	993	625
Total income		4,494	285,690	290,184	274,186
Expenditure on:					
Charitable activities					
Grants to beneficiaries	4	-	267,181	267,181	276,508
Support costs	5	400	-	400	400
Governance costs	5	68,631	-	68,631	(659)
Total resources expended		69,031	267,181	336,212	276,249
Net deficit for the year and net movement of funds	8	(64,537)	18,509	(46,028)	(2,063)
Transfer between funds: prior year adjustment		2,687	(2,687)	-	-
RECONCILIATION OF FUNDS					
Total funds brought forward 1 July 2023		85,700	42,080	127,780	129,843
Total funds carried forward 30 June 2024	11	23,850	57,902	81,752	127,780

Trust for Research and Education on the Arms Trade

Balance Sheet

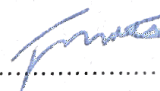
As at 30 June 2024

	Note	2024 £	2023 £
Current assets			
Other debtors	9	184,051	109,730
Cash at bank and in hand		64,248	60,038
		<u>248,299</u>	<u>169,768</u>
Creditors: Amounts falling due within one year	10	<u>(166,547)</u>	<u>(41,988)</u>
Net current assets and net assets	11	<u><u>81,752</u></u>	<u><u>127,780</u></u>

The funds of the charity:

Unrestricted funds:			
General funds		8,370	31,320
Designated funds		<u>15,480</u>	<u>54,380</u>
	12	23,850	85,700
Restricted funds	13	57,902	42,080
		<u><u>81,752</u></u>	<u><u>127,780</u></u>

Approved by the trustees on 21 APRIL 2025 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 2024

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 2024

2. Donations and legacies received

	2024 £	2023 £
Unrestricted:		
Donations	3,501	3,197
Legacies	-	-
	3,501	3,197
Restricted:		
Donations	5,860	1,543
Legacies - Hooper	66,000	-
	71,860	1,543
	75,361	4,740

3.

Grants received

	2024 £	2023 £
Restricted:		
The Joseph Rowntree Charitable Trust	95,830	112,821
Tolkien Trust	105,000	145,000
Serve All Trust	10,000	10,000
Southall Trust	3,000	-
Cadbury Trust	-	1,000
	213,830	268,821

Continued

Trust for Research and Education on the Arms Trade

Notes to the Accounts

For the Year Ended 30 June 2024

4. Grants to beneficiaries

Institutional grants

Grants awarded to CAAT:

	Joseph Rowntree Charitable Trust Restricted £	Tolkien Trust Restricted £	Serve All Trust Restricted £	Southall Trust Restricted £	Hooper Legacy Restricted £	Other Restricted £	Total restricted funds 2024 £	Total restricted funds 2023 £
For research programme	25,161	40,091	10,000	-	-	-	75,252	128,853
For the European Network Against Arms Trade's research project	24,080	-	-	-	-	-	24,080	28,896
For its worker in Scotland	9,585	16,500	-	-	-	-	26,085	24,324
For its charitable work	-	-	-	-	50,000	-	50,000	1,000
For reference materials	-	-	-	-	-	3,351	3,351	2,687
For Training & Events	1,929	2,170	-	-	-	-	4,099	984
For Outreach	9,726	16,500	-	-	-	-	26,226	24,325
For Browsers	18,198	29,739	-	-	-	-	47,937	43,671
For Unversities	7,151	-	-	-	-	-	7,151	16,768
	95,830	105,000	10,000	-	50,000	3,351	264,181	271,508

Other grants awarded:

Demilitarise Education - for its work	-	-	-	-	-	-	-	5,000
Drone Wars UK - for its research programme and work	-	-	-	3,000	-	-	3,000	-
	95,830	105,000	10,000	3,000	50,000	3,351	267,181	276,508

Trust for Research and Education on the Arms Trade

Notes to the Accounts

For the Year Ended 30 June 2024

5. Support and governance costs

	2024 £	2023 £
Expenditure incurred on:		
Administration overheads, postage etc	2,000	2,000
	2,000	2,000

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.

Support costs	(20%)	400	400
Governance costs:	(80%)	1,600	1,600
	Independent examination	2,700	2,400
	Legal fees -property dispute	-	(16,603)
	*Legal fees - validity of will dispute	63,910	11,100
	Other	421	844
		68,631	(659)

*Legal fees paid this year have continued to be 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 2023: Nil). No expenses were reimbursed to the trustees (year to 30 June 2023: £160).

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

		2024 £	2023 £
This is stated after charging:			
Fees payable to the Independent Examiner for:			
	Accountancy	1,800	1,700
	Independent Examination	900	900
	Total	2,700	2,600

Trust for Research and Education on the Arms Trade

Notes to the Accounts

For the Year Ended 30 June 2024

9 Debtors

	2024	2023
	£	£
Other debtors - legal fees recoverable	184,051	109,730
	184,051	109,730

10. Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	73,847	34,588
Other creditors	92,700	7,400
	166,547	41,988

11. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Other debtors	184,051	-	184,051
Cash at bank and in hand	6,346	57,902	64,248
Creditors of not more than one year	(166,547)	-	(166,547)
Net assets at 30 June 2024	23,850	57,902	81,752

12. Unrestricted funds

	At 01 July 2023	Incoming resources	Outgoing resources	At 30 June 2024
	£	£	£	£
General funds	31,320	4,494	(5,121)	30,693
Transfer to Swash legacy fund	-	-	(55,010)	(55,010)
Transfer to restricted funds relating to prior year adjustment	-	2,687	-	2,687
Designation removed from ENAAT fund	-	30,000	-	30,000
	31,320	37,181	(60,131)	8,370
Designated funds				
Swash legacy fund	8,900	55,010	(63,910)	-
ENAAT fund designation removed	30,000	-	(30,000)	-
Shadow World Investigations (formerly Corruption Watch) - for its project "A Very British Kleptocracy"	15,480	-	-	15,480
	54,380	55,010	(93,910)	15,480
Total unrestricted funds	85,700	92,191	(154,041)	23,850

Trust for Research and Education on the Arms

Notes to the Accounts

For the Year Ended 30 June 2024

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 £	Southall Trust £	Hooper Legacy £	Various restricted other legacies and donations £	Total restricted funds 2024 £	Total restricted funds 2023 £
Balance at 1 July 2023	-	-	-	2,500.00	10,000.00	22,764.00	-	-	6,816.50	42,080.50	23,932.50
Incoming resources from donors	95,830.00	105,000.00	10,000.00	-	-	-	3,000.00	66,000.00	5,860.00	285,690.00	270,366.00
Transfer to debtors	-	-	-	-	-	-	-	-	-	-	16,603.00
Transfer from unrestricted funds relating to prior year adjustment	-	-	-	-	-	-	-	-	(2,687.00)	(2,687.00)	-
Resources expended	(95,830.00)	(105,000.00)	(10,000.00)	-	-	-	(3,000.00)	(50,000.00)	(3,351.00)	(267,181.00)	(268,821.00)
Balance at 30 June 2024	-	-	-	2,500.00	10,000.00	22,764.00	-	16,000.00	6,638.50	57,902.50	42,080.50

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