

Company registration number: 6975984

Charity registration number: 1158683

Full Fact

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2019

Full Fact

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Full Fact

Reference and Administrative Details

Chairman and Trustee

Hon. Michael Samuel

Other Trustees

Lord David Lipsey (Resigned on 3rd July 2019)

Simon Briscoe

Lord Richard Inglewood

Baroness Julia Neuberger (Resigned on 11 September 2019)

Professor Jean Seaton

Lord John Sharkey

Sharon Witherspoon

James Harding (Appointed on 3rd July 2019)

Anna Cook (Appointed on 13th November 2019)

Timothy Gordon (Appointed on 13th November 2019)

Anand Menon (Appointed on 13th November 2019)

Baroness Janet Royall (Appointed on 13th November 2019)

Secretary and CEO

Will Moy

Principal Office and Registered Office

2 Carlton Gardens
St James's
London
SW1Y 5AA

The charity is incorporated in England
and Wales

Company Registration Number

6975984

Charity Registration Number

1158683

Bankers

Charities Aid Foundation
25 Kings Hill Avenue
Kent
ME19 4TA

Auditor

MHA MacIntyre Hudson
Auditors
6th Floor, 2 London Wall Place
London
EC2Y 5AU

Full Fact

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 December 2019. The Trustees confirm that the annual report and financial statements of the Company comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102).

Structure, governance and management

Nature of governing document

Full Fact is a charitable company (no. 6975984) registered in England and Wales and limited by guarantee, incorporated on 29 July 2009 and registered as a charity (no. 1158683) on 17 September 2014. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. The company's members are its trustees. The guarantee of each Trustee is limited to £10.

Full Fact owns a trading company, Full Fact Services Ltd. The Directors of the company are appointed by the trustees. This company has traded in 2019 and has been included within these financial statements.

Full Fact is registered at 2 Carlton Gardens, London SW1Y 5AA.

Recruitment and appointment of trustees

Of the 13 trustees listed in this report, two resigned in 2019 and four were appointed in 2019. The remaining seven have been trustees for all of 2019.

New trustees are appointed by agreement of the existing trustees. Our policy is to advertise vacancies openly. New trustees are provided with an induction pack covering structure, strategy, finances, personnel, and procedures.

The Trustees of Full Fact include Conservative, Labour, Liberal Democrat, and independent members of the House of Lords, as well as figures from outside of politics. The Trustees represent a wide range of opinions, and individual trustees do not perform operational duties for the charity.

Organisational structure

The Trustees meet three times a year, with a supplementary Finance and General Purposes Committee (which consisted of Lord Lipsey (Chair), Simon Briscoe, Hon. Michael Samuel, and Sharon Witherspoon in 2019 until Lord Lipsey stepped down, the F+GP Committee now consists of Sharon Witherspoon (Chair), Hon. Michael Samuel, Anna Cook and Tim Gordon) meeting three times a year as well. The Board reviews its own performance annually and consider training needs as part of this.

The day-to-day running of Full Fact, is the responsibility of the Chief Executive, Will Moy and the management team, which consists of Editor Tom Phillips, Head of Communications Ross Haig, Head of Automated Fact checking Mevan Babakar, Head of Product Andy Dudfield and Head of Research Amy Sippitt.

Full Fact

Trustees' Report

Charity Governance Code

The Board conducted a detailed review of Full Fact's governance at the end of 2017, in the light of the recent Charity Governance Code published 2017. This was followed up with a review in 2018 and 2019. We found that Full Fact's governance continues to be fundamentally sound and largely already meets the recommendations of the Code. We are satisfied that Full Fact achieves the outcomes set out under the Code's seven principles.

We have reviewed each of the recommended practices and either taken steps to start to apply them, or chosen not to where the benefits were either not clear or not proportionate. Not all the specific recommendations applied or would have been proportionate for a charity like Full Fact which is relatively small, has no direct beneficiaries in the sense that a charity that principally provides services as opposed to information might, and does not engage directly with vulnerable people.

The board reviews its own performance as a routine part of its discussions and formally once a year. It regularly carries out an audit of skills, experience and diversity of background of its members to inform trustee recruitment and training.

Arrangements for setting key management personnel remuneration

There are many things that attract staff to Full Fact and motivate them above and beyond salaries. But we know pay is an important factor in recruiting and retaining staff. Full Fact seeks to get value for our donors' money by hiring and retaining the right people for their jobs on appropriate terms.

All salaries above £60,000 are approved by the Chair on behalf of the Board of Trustees. Individuals' pay and conditions reflect Full Fact's overall financial position, performance, benchmarking against comparable jobs elsewhere, their level of responsibility and progression over time within the organisation, and the need to ensure that pay is fair between staff.

Annual salaries of members of staff paid more than £60,000 –

Will Moy Chief Executive £73,750 (£70,000 in 2018)

Tom Phillips Editor £65,000

In 2019, the Chief Executive (Will Moy), working closely with the Board of Trustees comprised the Key Management Personnel of the charity. There are other senior staff who comprise of the Management Team.

All Trustees give their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in notes to the accounts.

The charity's employees are all paid in accordance with Remuneration Policy. The annual remuneration of all staff is decided by the Director with the exception of when the Director proposes to pay a senior salary (defined as over £60,000). This is subject to approval by the Chair on behalf of the Board of Trustees. The same applies to individual pay rises of more than 10%.

An annual review of the existing pay scales is undertaken and a decision taken as to whether or not the charity implements an uplift. The Salary of the Director is determined by the Board of Trustees or through the Finance and General Purpose Committee in accordance with the remuneration policy set out above. The financial performance and health of Full Fact remains the determining factor in any remuneration progression.

Full Fact

Trustees' Report

Fundraising

Full Fact and the trustees are grateful to the many individuals and the wide range of organisations who donate to make our work possible. Full Fact complies with the regulatory standards for fundraising. This report covers the requirements charities must follow as set out in the Charities Act 2016.

Our approach is that donors are a crucial part of the extended Full Fact team and deserve to be treated with respect. That applies to potential donors too. We solicit donations from the public on our website and other online channels and send updates to our donors that we aim to ensure are useful and relevant. We engage with some donors, particularly those giving large amounts, directly and personally. We also fundraise from trusts and foundations, companies, and other funders.

Every donor giving more than £5,000 a year is named on our website and we have turned down funding when necessary to maintain this level of transparency. Our donors understand that independence is essential to Full Fact's work and this governs our relationship with all our donors and potential donors.

Full Fact does not employ third party fundraisers or employ the kinds of fundraising tactics that have given rise to recent public concern. We are not bound by any voluntary scheme for regulating fundraising but we will keep this under review as our fundraising work develops.

Our website clearly explains how an individual can complain to Full Fact, about our fundraising or any other aspect of our work. We received no fundraising complaints in the 2019 financial year, which is the same as in 2018. All complaints are recorded on our contact management system and responded to within ten working days.

Objectives and activities

Objects and aims

Full Fact's charitable objectives, as registered with the Charity Commission, are as follows –

“The advancement of public education in the fields of crime, health, immigration, economy, education, environment, and social welfare through education, research and training, using such expertise (legal or otherwise) and advice as the trustees shall consider appropriate, to promote and advance public understanding and inform public debate in those fields whether in the UK or abroad and in particular by making available to the public, through a process of objective, impartial research and rigorous factual analysis, full, accurate and relevant information to assist such public understanding and to inform and improve the quality of public debate.

“Such purposes shall in all respects and at all times be construed and promoted:

“(a) in an impartial, objective, balanced, and independent manner observing strict political neutrality and, to the extent that such principles may be applied to such purposes, consistent with the principles enunciated in the Code of Practice for Official Statistics;

“(b) exclusively for the benefit of the public and in accordance with the law relating to charity in England and Wales.”

Full Fact

Trustees' Report

Objectives, strategies and activities

In the short term, we fact check, which has three benefits: informing public debate by giving people reliable information to make up their own minds on issues in public debate; encouraging participants in public debate to provide full and accurate information; and building an evidence base about how specific unsubstantiated claims arise and are spread.

Then, when we see specific unsubstantiated claims we seek to get those claims corrected at source to reduce the level of repetition of the claim and any harm that results from it. Our work has led to corrections from a Prime Minister, national newspapers, and many others, improving the quality of public debate.

In the medium term, we use the evidence from our fact checking to diagnose systemic problems and get systemic changes such as improvements to press complaints procedures. For example, we've worked with official statistics providers and charities to improve the way they present their information when it has been persistently misinterpreted.

In the long run, we believe it is important to advocate the value of high-quality, well-informed public debate and the roles we all have in maintaining that.

In recent years, false and distorted information online has become increasingly important to Full Fact's mission, and increasingly prominent in public and policy debate. Full Fact's response to that includes four areas of work: content, technology, research, and policy. This will continue to be an important concern for our work.

Full Fact has been a world leader in automated fact checking, which we believe has the potential to make fact checking dramatically more effective. We have tools already in use in our fact checking and are developing them with a view to making them globally useful.

Full Fact

Trustees' Report

2019 Achievements

Tackling bad information in 2019

Full Fact published over 500 fact checks in 2019 covering a range of topics - from UK politics and Brexit, to health, education, the environment and more.

This year Full Fact reached more people than ever before. We saw 9.4 million users visit the site - 2.5 million of them during the election - and many millions more heard or read from us from over 5,000 media mentions.

The difference we make comes not just from publishing fact checks, but from our follow up efforts with policymakers and the media. We seek corrections wherever we can to deter repeat instances and improve the quality of information in public life.

This year many of our fact checks have led to positive, real world impact:

Conservative Party Facebook ads

In early September, we fact checked the government's claim that they were spending £14 billion on primary and secondary education between now and 2022/23. We found that the increase is £4.3 billion by 2022/23 once you account for inflation. Unfortunately, the government continue to repeat the claim and a few weeks later, used it on an online Facebook ad. Even more concerning was that they had apparently altered the headline of a BBC article to reference the false claim, despite the article directly contradicting the spending figure. When we called them out, it received international press coverage and within 24 hours Facebook had deactivated the adverts and made a commitment to stop advertisers being able to change news headlines on Facebook.

First MP video correction

We always ask public figures to correct the record when they make a false claim. Some don't respond, but others make an effort to clarify and correct their words. In October, we saw our first video correction when we called out Liberal Democrat MP Layla Moran for misleadingly comparing the forecasted economic impact of the government's EU Withdrawal Bill with the 2008 financial crash. Moran tweeted a video thanking us for intervening and setting the record straight. We hope other politicians will be inspired to do the same.

Our health work hits home

Vaccine misinformation is a frequent feature of our health fact checking. The World Health Organisation has named vaccine hesitancy as one of the top ten threats to global health in 2019 and false information about the risks of vaccines is a huge contributor to this. Our series of vaccine fact checks led to a rare opportunity for us to hear first hand from someone who has benefited from our work. One evening in June we received a phone call from a mum of two who called to thank us for our information on vaccines. She told us that "I've read all sorts of different things over the years about vaccines and I just found your website and I've decided I am going to vaccinate them so I just wanted to say thank you". Knowing that we'd helped a parent make a difficult decision about what information to trust, and that her children were now going to be protected against potentially life-threatening diseases, meant the world to us.

Employed in statistical corrections

In September, Labour MP Liam Byrne used an old measure of unemployment in tweets supporting his Birmingham Metro Mayor 2020 campaign, which is flawed due changes in measurement following the introduction of Universal Credit. After we published our fact check and got in touch with Liam Byrne's office, the image used in the tweets were amended to include an explanation of the figures and the tweet was re-issued with the correct numbers.

UK General Election 2019

A snap UK general election was called in October 2019, and we knew in advance it would be a difficult campaign. Despite calls from Full Fact, the Electoral Commission, the parliamentary Digital, Culture, Media and Sport Select Committee and many others to reform our dangerously out of date election laws, nothing was done in time. The 2019 general election was left wide open to misinformation and abuse.

But Full Fact was ready to stand up for honesty during the election campaign. Our team of fact checkers, alongside secondees from the House of Commons Library, the House of Lords and the Office for National Statistics, scrutinised claims on all sides in the six weeks leading up to polling day.

We published over 168 fact checks in total, covering the biggest battlegrounds of the election - parties' plans for Brexit and the NHS - each of the main parties' manifestos, and the head to head debates between party leaders and representatives on the BBC, ITV and Channel 4.

We also scrutinised a number of online ads throughout the campaign, analysing the markedly different approaches used by parties over the campaign, and the accuracy of their claims.

New formats

We made use of new formats to get our fact checks out to more readers in a timely and useful way. We introduced a live blog, publishing fast, reactive fact checks on some of the big developing news stories of the campaign.

We took questions directly from readers about the election and campaign claims as part of our Ask Full Fact feature. There was a strong response and we received 473 questions and answered 23 before polling day.

We also expanded our social media activity onto Instagram, producing a series of new fact check Stories, short videos and visual verdicts on the key claims.

Media partnerships

At the start of the election we launched partnerships with several major broadcasters and print newspapers. We wanted to reach as many people as possible with good, trustworthy information.

We ran daily fact checks in partnership with Sky News' Campaign Check, and in the Evening Standard Newspaper. We made weekly appearances on LBC, talkRADIO and BBC Radio 5 Live to run through campaign claims and answer listener questions.

We also teamed up with ITV to prove on-the-night analysis of their debate between Boris Johnson and Jeremy Corbyn.

We gave regular interviews about our work, fact checks, and the launch of our election toolkit for voters. Viewers saw or heard from us on BBC News, Sky News, the Financial Times, Newsnight, the Today programme, and many more - including dozens of regional titles.

Full Fact was mentioned over 4,000 times by UK media over the election campaign.

New audiences

Full Fact grew its audience over the election, and we took steps to reach new and different groups than we had before.

We promoted our online toolkit to help people spot bad and misleading information, bringing this advice to life in a quiz shared on Facebook and Instagram.

We teamed up with London Grid for Learning to teach thousands of secondary school children across the country about the dangers of bad information online.

We collaborated with Ndemio Creations to create a new scenario for their game Plague Inc, teaching players around the world about the extreme consequences of bad information and how fact checkers are fighting it.

Automated fact checking

We're building in-house automated fact checking tools which help to identify claims to check, track the spread of false claims and check claims in real time. While tech will never replace our dedicated team of experienced fact checkers, these tools will speed up their editorial processes, help them monitor new claims and visualise Full Fact's impact by tracking how our interventions affect the spread of false claims.

2019 was a huge year for our tech team. In May, we won the [Google AI Impact Challenge](#), along with our partners Africa Check, Chequeado and the Open Data Institute. With this funding, we will use artificial intelligence to dramatically improve and scale global fact checking efforts, by working with international experts to define how artificial intelligence could transform this work, developing new tools and deploying and evaluating them.

We also welcomed a [new Head of Product](#), Andy Dudfield, who has joined us from the Office for National Statistics, where his team's exceptional work has made some of Full Fact's automated fact checking possible.

We've developed a new AI tool that identifies possible claims to fact check, based on media monitoring, at the sentence level, and orders them into different categories of claim type. We put it into practice during the election, helping our team of fact checkers review the manifestos of each of the main parties.

Manifestos typically contain many hundreds of claims, from broad statements and ambitions through to detailed, fully-costed pledges. Our technology produced a list of every claim found in each manifesto with labels showing what type of claim it is, helping fact checkers more quickly review the contents and prioritise key claims for checking.

Research

Our research programme investigates a range of topics relating to Full Fact's work, including the efficacy of fact checking, measures of impact and audiences.

In March, we took [an in-depth look at whether fact checking can "backfire"](#) and reinforce belief in false claims. In June, we published a research briefing on [Political Trust in the UK](#). The majority of the UK public says they distrust politicians. The briefing considered what we really mean when we say we don't trust politicians, or other professions or institutions.

In August we launched our joint research programme with Africa Check and Chequeado. Our first briefing, [UK Public Engagement with Politics, Information and News](#), looked at what we know about audiences in each of our countries—specifically, about public engagement with politics, information, and news. We think this is important context for exploring how we might apply research to our work.

We wanted to understand voters' experiences of the 2019 election, and how Full Fact's work can help. We worked with the research agency BritainThinks over the course of the campaign to see how voters experienced party claims, and the extent to which these were affecting their attitudes and decisions. We'll be releasing our findings in 2020.

Policy and campaigning

In order to meet our long-term goals of improving the quality of public debate, we work with policy makers to look at the ways they can ensure good information is available, easy to find, and understood; and what can be done to tackle misinformation and disinformation without harming free speech.

In July, we [called on the government to take urgent action on its use of data](#), knowing the UK risks falling behind if it does not invest now. Failure to invest in better data means the government is currently unable to properly understand its own operations and the quality of public services. In August, we [asked the Head of the Government Communications Service](#) for a public explanation of the governance of the planned £100m public information

campaign on preparing for a no-deal Brexit. In September, we wrote to MPs and peers warning that the government must urgently update election laws to tackle the threat of interference and disinformation campaigns and were pleased to see a commitment to take action in the Queen's Speech later in the year.

What next?

Over 2019 the Full Fact team has grown. We have invested in our Communications and Automated Fact Checking teams, developing new tools to support our fact checkers and improving how we present and share our work with audiences.

We made use of this additional resource during the election campaign - our first where we relied primarily on Full Fact staff, rather than volunteers. Over those six weeks we added 14,000 new subscribers to our mailing list, 43,000 new Twitter followers, 12,735 new Facebook followers and 1,880 new Instagram followers. We go into the new year with a broader and more engaged audience to help us tackle bad information.

Candidates and parties asked voters for their trust in December. Our new Parliament must now deliver on those promises. We all deserve information that is accurate and honest, and Full Fact will continue to scrutinise our elected representatives in 2020 and beyond.

Full Fact

Trustees' Report

Public benefit

The charity's activities are for the advancement of public education through education, research and training and this report details how it carries out impartial research and rigorous factual analysis, full, accurate and relevant information to assist such public understanding and to inform and improve the quality of public debate.

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Full Fact

Trustees' Report

Plans for future periods

Full Fact is ambitious for the coming years. We are committed to investing and to taking risks to increase our impact.

- **Recognition.** We have a strong reputation and a large reach but we're not yet consistently known even among core audiences. We need to be seen more frequently, stand out in a crowded news space, and make people care about our cause
- **Impact.** We need to act as an effective deterrent and campaign for and deliver specific changes to inform and improve public debate as well as pursuing general accountability through our fact checking

Four focuses for 2020

First, we will maintain a continuous deterrent patrol of fact checking to find, expose, and reduce the spread of specific false and misleading claims. Fact checking is the engine of Full Fact.

Second, we will probe the people and organisations that ought to keep public debate informed, and expose those who are letting the public down.

Third, we will campaign to fix three big solvable problems in public debate: outdated election law, the lack of protection against online misinformation, and the poor use of data in UK public life.

Finally, we will strengthen Full Fact for the long-term by investing in our communications. We aim to double our name recognition among politicians and 10 x our media coverage. These core audiences in politics and media are our best gateway to wider audience that we will expand to over the next three years, as we build a crowd of people who will stand up against bad information.

1. Fact checking

Fact checking is the engine of Full Fact. It creates accountability, drives our reach, creates our opportunities for impact, and provides the evidence base for systems change. The fact checking process includes monitoring, checking, communicating the fact checks, getting corrections, and building our evidence base. We will strengthen every part of this process in 2020.

Monitoring: We will systematise our human monitoring and focus it. For the first time, we will automatically scan 1.5 million sentences a month to identify fact checkable and important claims helping us to become faster, more consistent in our monitoring, and to choose fact checks with better knowledge about their possible reach and impact.

Checking: In 2018 we did 300 fact checks. In 2019 we did over 500. In 2020 we will do 1,000. This growth will be driven by three main changes: (a) streamlined editorial systems (b) more experienced staff (c) redirecting effort from explainers to fact checks. Our editorial team has achieved this while increasing the readership of each fact check. In addition, we will start to see new fact checks coming from our automated fact checking tech for the first time in 2020.

Communicating: Our fact checks are read by millions, many of them through search which reaches a broad audience. We will invest in a social media officer to become more talked about online; our media officer and communications team will focus on making the most of every fact check. This will be strengthened by a more confident voice: it is the responsibility of powerful people in public debate to justify their claims, it is not our job to do it for them.

Corrections: In 2019 YTD we have made 100 correction requests covering 27 publications or organisations. 12 came from automated fact checking tools. In the last month, 25% of our corrections requests were found by our tech. This

gives us a broad evidence base but a shallow one in which typically we have made one correction request per organisation. In 2020 we will focus our fact checking to provide a critical mass of evidence about selected systems.

Evidence: Our evidence base is respected and relied when packaged for decision makers. The Facebook transparency reports are a good example. In addition, we will invest in better evidence about how we communicate our fact checks for maximum public benefit.

2. Probing

One strand of our fact checking, in both the checking and the corrections work, is deliberately probing the effectiveness of different standards systems. This year we will focus on government, parliament, and the most-read or watched media. This will include doing more corrections thanks to targeted fact checking, increased resources, and new technology. We aim to seek corrections as a result of 40% of our fact checks.

For the first time we will use our ability to track and quantify the spread of different claims using our Trends technology to start to build an evidence base about the effectiveness of different interventions. We will seek to understand the accountability impact of this work through research with people affected by it.

3. Campaigns

Informed public debate can be helped or harmed by a very broad range of players. These include campaigners including politicians, think tanks, businesses and charities; information providers such as government, public bodies, and researchers; information platforms such as the media and the internet companies; and the public ourselves. We cannot achieve change on all these fronts at once so we've focused on areas where change is coming anyway to try to influence that change, and we have thought carefully about where Full Fact should be a leader and where we should be a catalyst.

Election integrity. Ensure that the planned election integrity legislation includes full ad transparency, online imprints and charitable access to the electoral register.

Online harms. Develop and advocate proposals to reduce the harm caused by bad information online, including in the proposed draft online harms bill.

Data. Support the development of a civil society coalition led elsewhere that advocates (a) a dramatic increase in ambition for public data and information (b) a foresight process for statistics and research, and (c) funding for MigObs/UKICE like institutions on more topics.

4. Investing in communications

In 2020 our focus is on becoming more talked about within the media and political bubble. By 2022 we want our users to feel a sense of participation and achievement in our push for informed and improved public debate. So we will start with a focus on these influential decision makers but steadily broaden our reach over three years.

In 2020 we will renew our website and other digital channels to introduce the changes we seek more effectively to new and repeat visitors; and make more of every fact check to get more media coverage. Crucially we will adopt a strong and more distinctive voice that is focused on vividly exposing the harm done by bad information.

We will involve supporters and volunteers in our work by developing 'Ask Full Fact' as a more prominent offer; testing ways of expanding our corrections work using volunteers; and recruiting more donors. We will explore ways to strengthen this involvement over the next three years.

This will be strengthened by research to understand our target audiences, and senior stakeholders' attitudes to Full Fact, and to provide a baseline for future evaluation.

Financial review

Full Fact's income for 2019 was £2,338,908 versus income of £669,290 in 2018. The main reasons for the increase in income is due to partnerships with Facebook and Google AI (Tides), an increase in individual donations and an increase in trust and foundation income, including funding for the 2019 general election.

Full Fact increased its spending in 2019 to £1,459,499 from £911,651 in 2018. This meant there was a surplus of £709,743 in 2019 versus a deficit of £246,403 in 2018.

Full Fact

Trustees' Report

Policy on reserves

It is the charity's policy to aim to maintain unrestricted reserves of a minimum of 3 months running costs. This allows for the delivery of any projects that have started, the opportunity to source new income streams and three months' worth of wind-up costs to discharge all the Charity's liabilities in the event that the Trustees decide the Charity is no longer a viable going concern.

In 2019, that value is £389,252. Unrestricted reserves totalled £799,463 which is equivalent to just over 6 months running costs. Restricted reserves totalled £146,656. The Charity will look to decrease the reserves in 2020 by increasing the overall expenditure.

Principal funding sources

Our aim in fundraising is to secure our independence and our ability to achieve our charitable objectives. We actively seek and receive a diverse range of funding and are transparent about all our sources of income.

In particular, would like to thank the thousands of people who have supported our work.

Principal Risks and Uncertainties

The major risks to which the charity is exposed, as identified by the trustees, have been reviewed and systems or procedures have been established to manage those risks. A working risk register is maintained, which the Board reviews at least annually.

We are constantly mindful of the need to maintain balance and impartiality in everything we do. Strict safeguards remain in place, constructed based on our experience and examples from other respected organisations. We maintain neutrality in all our fields of work.

The principal risks to the charity are: financial including lack of funding diversity; reputational including via partners; and quality control.

Cash flow risk

The charity's activities expose it primarily to the financial risks of lack of funding. The charity is mindful of maintaining current funding sources.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments. The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Full Fact
Trustees' Report

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. The Charity is continuously monitoring its expected income levels, operational targets are set in order to ensure the charity secures sufficient funding to fulfil its on-going obligations. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

Full Fact

Trustees' Report

Statement of Responsibilities

The trustees (who are also the directors of Full Fact for the purposes of company law) are responsible for preparing the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditor

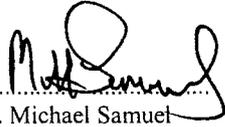
In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of MHA MacIntyre Hudson as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

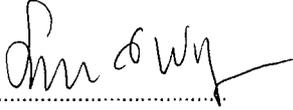
This Trustees' Report has been prepared taking advantage of the small companies exemption of section 415A of the Companies Act 2006.

Full Fact

Trustees' Report

The annual report was approved by the trustees of the charity on 18 March 2020 and signed on its behalf by:


.....
Hon. Michael Samuel
Chairman


.....
Sharon Witherspoon
Trustee

Full Fact

Independent Auditor's Report to the Members of Full Fact

Opinion

We have audited the financial statements of Full Fact (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2019 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheet, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 December 2019, 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 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 group and parent 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report) 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 group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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 from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement [set out on page 19], 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 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.

Auditor's responsibilities for the audit of the financial statements

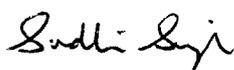
We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 auditor's report.

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. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Sudhir Singh FCA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants and Statutory Auditor

6th Floor

2 London Wall Place

London

EC2Y 5AU

Date 11 September 2020

Full Fact

Consolidated Statement of Financial Activities for the Year Ended 31 December 2019 (Including Income and Expenditure Account)

	Note	Unrestricted funds £	Restricted funds £	Total 2019 £
Donations and legacies	3	1,659,773	74,666	1,734,439
Charitable activities	4	503,220	95,000	598,220
Other income		6,249	-	6,249
Total Income		2,169,242	169,666	2,338,908
Charitable activities	5	(1,459,499)	(97,509)	(1,557,009)
Total Expenditure		(1,459,499)	(97,509)	(1,557,009)
Net movement in funds		709,743	72,157	781,900
Total funds brought forward		89,719	74,500	164,219
Total funds carried forward	13	799,463	146,656	946,119

	Note	Unrestricted funds £	Restricted funds £	Total 2018 £
Donations and legacies	3	323,714	119,351	443,065
Charitable activities	4	8,664	205,645	214,309
Other income		11,916	-	11,916
Total Income		344,294	324,996	669,290
Charitable activities	5	(640,446)	(271,205)	(911,651)
Total Expenditure		(640,446)	(271,205)	(911,651)
Net movement in funds		(296,152)	53,791	(242,361)
Total funds brought forward		385,871	20,709	406,580
Total funds carried forward	13	89,719	74,500	164,219

All of the charity's activities derive from continuing operations during the above two periods.

The notes on pages 27-37 form part of these financial statements.

The statement of financial activities includes all gains and losses recognised during the year.

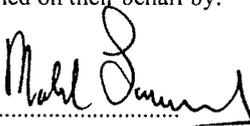
Full Fact

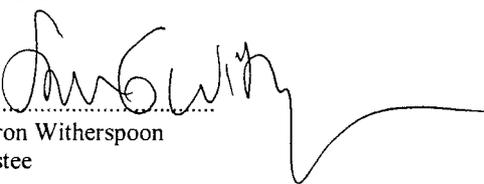
**(Registration number: 6975984)
Consolidated Balance Sheet as at 31 December 2019**

	Note	2019 £		2018 £	
		Group	Charity	Group	Charity
Fixed assets					
Tangible assets	9	10,560	10,560	12,297	12,297
Current assets					
Debtors	10	119,557	351,491	191,804	191,804
Cash at bank and in hand		1,233,117	1,001,183	29,284	29,284
		<u>1,352,674</u>	<u>1,352,674</u>	<u>221,088</u>	<u>221,088</u>
Creditors: Amounts falling due within one year	11	<u>(417,115)</u>	<u>(417,115)</u>	<u>(69,166)</u>	<u>(69,166)</u>
Net current assets		<u>935,559</u>	<u>935,558</u>	<u>151,922</u>	<u>151,922</u>
Net assets		<u>946,119</u>	<u>946,119</u>	<u>164,219</u>	<u>164,219</u>
Funds of the charity:					
Restricted funds		146,656	146,656	74,500	74,500
Unrestricted funds		<u>799,463</u>	<u>799,463</u>	<u>89,719</u>	<u>89,719</u>
Total funds	13	<u>946,119</u>	<u>946,119</u>	<u>74,500</u>	<u>164,219</u>

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

The financial statements on pages 27 to 37 were approved by the trustees, and authorised for issue on 18 March 2020 and signed on their behalf by:


.....
Hon. Michael Samuel
Chairman


.....
Sharon Witherspoon
Trustee

The annexed notes form part of these statements.

Full Fact

Consolidated Statement of Cash Flows for the Year Ended 31 December 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash (expenditure)/income		781,900	(242,361)
Adjustments to cash flows from non-cash items			
Depreciation		11,476	11,472
		<u>793,375</u>	<u>(230,889)</u>
Working capital adjustments			
Decrease/(increase) in debtors	10	72,248	50,246
Increase in creditors	11	49,837	3,647
(Decrease)/increase in deferred income		298,112	(39,792)
		<u>1,213,571</u>	<u>(216,788)</u>
Net cash flows from operating activities		1,213,571	(216,788)
Cash flows from investing activities			
Purchase of tangible fixed assets	9	<u>(9,738)</u>	<u>(111)</u>
Net (decrease)/increase in cash and cash equivalents		1,203,833	(216,899)
Cash and cash equivalents at 1 January		<u>29,284</u>	<u>246,183</u>
Cash and cash equivalents at 31 December	18,19	<u>1,233,117</u>	<u>29,284</u>

The notes on pages 27-37 form part of these financial statements.

Full Fact

Notes to the Financial Statements for the Year Ended 31 December 2019

1 Charity status

The charity is a private company, registered in England and Wales, limited by guarantee and consequently does not have share capital. The registered address is 2 Carlton Gardens, St. James', London, SW1Y 5AA. Each of the trustees is liable to contribute an amount not exceeding £Nil towards the assets of the charity in the event of liquidation.

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Full Fact 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 notes.

Full Fact's charitable activities are focused on the advancement of public education in the fields of crime, health, immigration, economy, education, environment, and social welfare through education, research and training to promote public understanding and public debate through impartial factual analysis.

Full Fact's functional currency is pounds sterling.

Within the accounts there is a rounding up or down within £1.

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2 Accounting policies

Going concern

The Trustees have reviewed the circumstances of the Charity, and consider that adequate resources continue to be available to fund the activities of the Charity for the foreseeable future. The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Consolidation accounting policy

The financial statements consolidate the accounts of Full Fact and its subsidiary undertaking as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

No separate SOFA has been presented for the Charity alone as permitted by section 408 of the Companies Act 2006.

The surplus for the year dealt with in the accounts of Full Fact was £781,909 (2018: deficit £242,631).

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Full Fact

Notes to the Financial Statements for the Year Ended 31 December 2019

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable accounting policy

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Other income

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the Charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Pension accounting policy

The charity makes contributions to employees' defined contribution pension plans. The pension cost is charged to the Statement of Financial Activities in the year it represents contributions payable by the charity to the pension fund.

Operating lease accounting policy

Rentals under operating leases are charged to the Statement of financial activities on a straight-line basis over the lease term.

Full Fact

Notes to the Financial Statements for the Year Ended 31 December 2019

Support costs

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the Charity and include project management. Where support costs cannot be directly attributed to particular headings they have been allocated to expenditure on raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Governance costs are those incurred in connection with the running of the Charity and compliance with constitutional and statutory requirements.

Fund-raising Costs

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Asset class	Depreciation method and rate
Computer Equipment	33.33% Straight Line
Furniture and Office Equipment	20% Straight Line

Trade debtors

Trade debtors are amounts due from customers services performed in the ordinary course of activities.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Investment accounting policy

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

Full Fact

Notes to the Financial Statements for the Year Ended 31 December 2019

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated or granted for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Financial instruments

The Charity does not have a material holding in complex financial instruments. The Charity only holds basic Financial Instruments. The financial assets and financial liabilities of the Charity are as follows:

Debtors – trade and other debtors (including accrued income) are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 10. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Liabilities – trade creditors, accruals and other creditors will be classified as financial instruments, and are measured at amortised cost as detailed in Note 13. Taxation and social security are not included in the financial instruments disclosure. Deferred income is not deemed to be a financial liability, as in the cash settlement has already taken place and there is simply an obligation to deliver charitable services rather than cash or another financial instrument.

Critical accounting estimates and judgements

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

Critical accounting estimates and assumptions:

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

The charity makes a judgement on the expected life of its assets and calculates depreciation based on this estimated life.

Full Fact

Notes to the Financial Statements for the Year Ended 31 December 2019

3 Income from donations and legacies

	Unrestricted funds		Total 2019 £	Total 2018 £
	General £	Restricted funds £		
Donations and legacies; Donations from Individuals and Institutions	1,659,773	74,666	1,734,439	443,065
	<u>1,659,773</u>	<u>74,666</u>	<u>1,734,439</u>	<u>443,065</u>

4 Income from charitable activities

	Unrestricted funds		Total 2019 £	Total 2018 £
	General £	Restricted funds £		
Public Education	503,220	95,000	598,220	214,309
	<u>503,220</u>	<u>95,000</u>	<u>598,220</u>	<u>214,309</u>

5 Expenditure on charitable activities

	Note	Unrestricted funds		Total 2019 £	Total 2018 £
		General £	Restricted funds £		
Public Education		449,912	37,916	487,828	117,725
Staff costs		929,402	56,850	986,252	755,417
Allocated support costs	6	80,186	2,743	82,929	38,509
		<u>1,459,500</u>	<u>97,509</u>	<u>1,557,009</u>	<u>911,651</u>

	Note	Unrestricted funds		Total 2018 £
		General £	Restricted funds £	
Public Education		112,670	5,056	117,725
Staff costs		489,267	266,149	755,417
Allocated support costs	6	38,509	-	38,509
		<u>640,446</u>	<u>271,205</u>	<u>911,651</u>

Full Fact

Notes to the Financial Statements for the Year Ended 31 December 2019

6 Analysis of support costs

Support costs allocated to charitable activities

	Total 2019 £	Total 2018 £
Governance costs:		
Accountancy Fees	3,303	4,637
Auditors' Fees – audit services	10,200	9,900
Depreciation	11,476	11,472
Cost of generating funds	50,072	-
Provision for Doubtful Debts	8,079	12,500
Total	83,129	38,509

7 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year. (2018: Nil)

No trustees have received any reimbursed expenses or any other benefits from the charity during the year. (2018: Nil)

8 Staff costs

The aggregate payroll costs were as follows:

	2019 £	2018 £
Staff costs during the year were:		
Wages and salaries	885,472	650,236
Social security costs	93,892	68,162
Pension costs	16,887	7,876
Other staff costs	40,073	29,143
	1,036,324	755,417

The monthly average number of persons (including management team) employed by the charity during the year was as follows:

	2019 No	2018 No
Charitable Activities	22	16

Two employees received emoluments of more than £60,000 during the year (2018: One) The total amount of employee benefits (including employer's national insurance contributions) received by Key Management Personnel is £83,932 (2018: £79,209).

Full Fact

Notes to the Financial Statements for the Year Ended 31 December 2019

Remuneration policy for key personnel

The Trustees consider that the Board of Trustees and the CEO (Will Moy) comprise the Key Management Personnel of the charity.

All Trustees give their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in notes to the accounts.

The charity's employees are all paid in accordance with a Remuneration Policy. The annual remuneration of all staff is decided by the Director with the exception of when the Director proposes to pay a senior salary (defined as over £60,000). This is subject to approval by the Chair on behalf of the Board of Trustees. The same applies to individual pay rises of more than 10%.

An annual review of the existing pay scales is undertaken and a decision taken as to whether or not the charity implements an uplift. The Salary of the Director is determined by the Board of Trustees or through the Finance and General Purpose Committee. The financial performance and health of Full Fact remains the determining factor in any remuneration progression.

There are no additional benefits paid to staff.

9 Tangible fixed assets

All fixed assets belong to the charity.

	Furniture and equipment £	Total £
Cost		
At 1 January 2019	35,219	35,219
Additions	9,738	9,738
At 31 December 2019	44,957	44,957
Depreciation		
At 1 January 2019	22,922	22,922
Charge for the year	11,476	11,476
At 31 December 2019	34,398	34,398
Net book value		
At 31 December 2019	10,560	10,560
At 31 December 2018	12,297	12,297

Full Fact

Notes to the Financial Statements for the Year Ended 31 December 2019

10 Debtors

	2019		2018	
	£		£	
	Group	Charity	Group	Charity
Trade debtors	107,805	105,073	77,994	77,994
Due from subsidiary	-	233,131	-	-
Accrued income	21,612	21,612	119,042	119,042
Other debtors	3,485	5,020	7,268	7,268
Provision for doubtful debts	(13,345)	(13,345)	(12,500)	(12,500)
	<u>119,557</u>	<u>351,491</u>	<u>191,804</u>	<u>191,804</u>

11 Creditors: amounts falling due within one year

	2019		2018	
	£		£	
	Group	Charity	Group	Charity
Trade creditors	73,731	73,731	27,381	27,381
Other taxation and social security	32,437	32,437	22,996	22,996
Other creditors	4,635	4,635	1,823	1,823
Accruals	8,200	8,200	16,967	16,967
Deferred income	298,112	298,112	-	-
	<u>417,115</u>	<u>417,115</u>	<u>69,166</u>	<u>69,166</u>

12 Deferred income

	2019		2018	
	£		£	
	Group	Charity	Group	Charity
Brought forward	-	-	-	-
Released	-	-	-	-
Deferred	298,112	298,112	-	-
Carried forward	<u>298,112</u>	<u>298,112</u>	-	-

Deferred income consists of income from:

Westlake Mohn £250,000 – This grant starts from 1st January 2020.

Esmee Fairburn £35,000 – This grant started half way through 2019.

Google DNI £13,112 – Reporting to be complete to release funds for this grant.

Full Fact

Notes to the Financial Statements for the Year Ended 31 December 2019

12 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £16,887 (2018 - £7,876).

13 Funds (Group & Charity)

	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Balance at 31 December 2019 £
Unrestricted funds				
Charity	89,719	1,936,878	(1,227,135)	799,463
Full Fact Services Ltd	-	232,364	(232,364)	-
Group	89,719	2,169,242	(1,459,499)	799,463

	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Balance at 31 December 2019 £
Restricted funds (Charity Only)				
Google AI (Tides)	-	74,666	-	74,666
University of Edinburgh	10,243	-	(2,743)	7,500
Google DNI	64,257	-	(13,112)	51,145
Nuffield Foundation 2019 Election	-	60,000	(46,655)	13,345
Vodafone Techstarter	-	35,000	(35,000)	-
Total restricted funds	74,500	324,996	(271,205)	74,500
Total funds	164,219	169,666	(97,509)	146,656

Full Fact

Notes to the Financial Statements for the Year Ended 31 December 2019

	Balance at 1 January 2018 £	Incoming resources £	Resources expended £	Balance at 31 December 2018 £
Unrestricted funds				
<i>General</i>				
Unrestricted Income Fund	385,871	344,294	(640,446)	89,719
Restricted funds				
Automated Fact Checking	8,338	71,917	(80,255)	-
University of Edinburgh	12,371	12,634	(14,762)	10,243
Google DNI	-	205,645	(141,388)	64,257
Google News	-	4,800	(4,800)	-
Barrow Cadbury Trust	-	30,000	(30,000)	-
Total restricted funds	20,709	324,996	(271,205)	74,500
Total funds	406,580	669,290	(911,651)	164,219

DNI - Google has established the Google Digital News Initiative Fund to support and promote innovation in the digital news sector. Third generation fact checking aims to help fact checking get to internet scale by developing and testing write-once reuse-anywhere formats for fact checking including automated fact checking, and new methods to help fact checkers monitor the balance of their output.

University of Edinburgh - Citizens' Expectations on Brexit Outcomes: 'Fact' Transmission and Persuasive Power in a Digital World. The aim of this collaborative project between the Neuropolitics Research Lab, University of Edinburgh and Full Fact is to offer new insights into how citizen' Brexit-related expectations are shaped in an increasingly digital world. They will examine the characteristics that lead to Brexit-related messages being accepted as facts or viewed as misinformation and why they are picked up on and spread online.

Google AI/Tides - This funding is part of our award from the Google AI for Social Good Impact Challenge. In partnership with Africa Check, Chequeado and the Open Data Institute, we'll use artificial intelligence to dramatically improve and scale global fact checking efforts, working with international experts to define how artificial intelligence could transform this work, developing new tools and deploying and evaluating them.

Nuffield Foundation - The Nuffield Foundation is supporting our editorial team to fact check claims and seek corrections. The grant is also funding an annual report on the quality of information in the UK and what everyone - from government, tech companies, journalists and citizens - can do to help improve the honesty and accuracy of public debate.

Nuffield Foundation - General Election 2019 - The Nuffield Foundation awarded Full Fact £60,000 to improve the understanding and use of evidence in the 2019 general election campaign. This grant was used to temporarily increase the size of our fact checking team, allowing us to respond to more claims and publish fact checks quicker and temporarily increase the size of our communications team, helping us to increase the reach of our fact checks. It also allowed us to increase the power of our automated fact checking tools by adding the ability to monitor online adverts for new and recurring claims and conduct research into the public's perceptions of key claims and voters' experiences of information and factual claims during the campaign.

Full Fact

Notes to the Financial Statements for the Year Ended 31 December 2019

Vodafone Techstarter - Vodafone Techstarter provides UK-based social tech ventures and charities the chance to secure funding and access to expertise – to help them take transformational ideas from start-up to scale-up. We have received funding to support our automated fact checking work. We're building in-house automated fact checking tools which help to identify claims to check, track the spread of false claims and check claims in real time. These tools will speed up our editorial processes, help us monitor new claims and visualise Full Fact's impact by tracking how our interventions affect the spread of false claims.

14 Analysis of net assets between funds

	2019		
	Unrestricted funds	Restricted funds	Total funds
	General £	£	£
Tangible fixed assets	10,560	-	10,560
Current assets	1,206,017	146,656	1,352,673
Current liabilities	(417,115)	-	(417,115)
Total net assets	799,463	146,656	946,119

	2018		
	Unrestricted funds	Restricted funds	Total funds
	General £	£	£
Tangible fixed assets	12,297	-	12,297
Current assets	146,589	74,499	221,088
Current liabilities	(69,166)	-	(69,166)
Total net assets	89,720	74,499	164,219

15 Related Party Transactions

£17,500 is due at the year end from TTO Conference Ltd and during the year £1,248 was received as interest from a loan to TTO Conference Ltd where Will Moy is Director. TTO Conference Ltd ran the Truth and Trust Online Conference in October 2019, which was a collaboration between practitioners, technologists, academics and platforms, to share, discuss, and collaborate on useful technical innovations and research in the space. www.truthandtrustonline.com

£96,963 is due at the year end from Full Fact Services Limited, a wholly owned subsidiary of Full Fact.

Full Fact

Notes to the Financial Statements for the Year Ended 31 December 2019

16 Operating Lease Commitment

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

At the reporting date the Charity had outstanding commitments for future minimum lease payments of £41,000 under a non-cancellable operating lease. (6 months of rent).

The operating lease represents a premises lease.

Amount recognised as an expense in the year was £72,000

17 Principal Subsidiaries

Full Fact Services Limited

Registered in England and Wales Company Number 09541967

Wholly owned subsidiary of Full Fact

Total assets at 31 December 2019 £233,131

Total liabilities at 31 December 2019 £233,131

Total equity at 31 December 2019 £0

Turnover for year ended 31 December 2019 £232,364

Expenditure for year ended 31 December 2019 £96,196

Profit for year ended 31 December 2019 due to parent charity under Gift Aid £136,168

18 Net Debt Reconciliation

	At 1 January 2019	Cash flows	At 31 December 2019
	£	£	£
Cash at bank and in hand	29,284	1,203,833	1,233,117
Debt	-	-	-
	29,284	1,203,833	1,233,117

19 Analysis of cash and cash equivalents

	Group 2019	Group 2018
	£	£
Cash in hand	1,233,117	29,284
Total cash and cash equivalents	1,233,117	29,284