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**THE MODERN LAW REVIEW LIMITED**  
**(A company limited by guarantee)**

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**TRUSTEES REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

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**THE MODERN LAW REVIEW LIMITED**

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**THE MODERN LAW REVIEW LIMITED**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND  
ADVISERS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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<b>Trustees</b>	Julia Black (resigned 12 June 2019) Conor Gearty David Kershaw Andrew Lang Andrew Murray (resigned 3 December 2019) Thomas Poole Jo Braithwaite Dev Gangjee Maria Lee (resigned 3 December 2019) Gregoire Webber Michael Lobban Virginia Mantouvalou Tanya Aplin Jacco Bomhoff Orla Lynskey Donal Nolan Paul Roberts Kate Greasley Sangeeta Shah Emmanuel Voyiakis Tatiana Cutts Vanessa Munro Sarah Paterson (appointed 17 December 2019) Jeremy Horder (appointed 12 February 2020)
<b>Company registered number</b>	00325282
<b>Charity registered number</b>	264072
<b>Registered office</b>	Old Building Houghton Street London WC2A 2AE
<b>Company secretary</b>	Michael Lobban
<b>Chief executive officer</b>	David Kershaw
<b>Independent auditors</b>	Calders (1883) LLP Statutory Auditor and Chartered Accountants 30 Orange Street London WC2H 7HF
<b>Bankers</b>	HSBC Bank Plc 16 King Street Covent Garden London WC2E 8JF

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## THE MODERN LAW REVIEW LIMITED

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

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The Trustees present their annual report together with the audited financial statements of the The Modern Law Review Limited for the year 1 January 2019 to 31 December 2019. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company'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 Republic of Ireland (FRS102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective January 2015).

Since the charitable company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

#### **Statement of responsibilities of the trustees**

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 auditors**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

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## THE MODERN LAW REVIEW LIMITED

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2019

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#### Reference and Administrative Details

The Chief Executive Officer of the company is the General Editor, currently David Kershaw. The General Editor is responsible for the day to day management of the company.

#### Structure, Governance and Management

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.

There are 24 Directors who meet at least five times a year as the Editorial Committee, which is responsible for the running of the company. The Directors of the company, and Trustees for the purposes of Charity Law, during the year ended 31st December 2019 are listed on page 1.

There are no significant contracts in which the Directors had or have material interests, nor are there any arrangements to which the company is or was a party, to enable the Directors to acquire the benefit or acquisition of shares in or debentures of any company.

Members of the Advisory Board, which includes former members of the Editorial Committee and others with expertise in the areas of the company's activities, are available to provide advice to the Editorial Committee as and when required.

The Editorial Committee keeps its membership under regular review and new members are recruited as the Committee thinks necessary for the efficient carrying out of the company's business. The Committee's membership has traditionally been drawn largely, though not exclusively, from among the body of legal academics in British universities.

#### Risk Management

The Directors manage risks as they arise. They also believe that maintaining reserves at their current level, combined with controls over key financial operations will provide sufficient resources in the event of adverse conditions.

#### Objectives and Activities

The objects of the company are to promote legal education and the study of law and all other arts and sciences and in particular those which are or may be or become of interest to persons concerned in the study or practice of law which involve some legal element and discussion of all questions and topics arising thereout by such means as may be deemed desirable and in particular by the publication issue and circulation of a journal review or other periodical, and by the organisation of lectures, discussions, correspondence with public bodies or individuals and the donation or founding of any scholarships, prizes or other rewards or distinctions. In furtherance of these objects, the company:

- Publishes the Modern Law Review;
- Organises the annual Chorley lecture;
- Provides financial support for seminars on legal or law related topics;
- Provides scholarships for doctoral research on legal or law related subjects;
- Sponsors the translation of scholarly works on legal or law related subjects which are not currently available in English; and
- Offers an annual prize for an exemplary article published in the Modern Law Review.

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## THE MODERN LAW REVIEW LIMITED

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2019

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#### Achievements and Performance

*Publication of the Modern Law Review:* The principal activity of the company during the period covered by this report was the publication of parts of Volume 82 of the Modern Law Review. The total number of institutional subscriptions for the Review was 453 in 2019 compared with 551 in 2018. Despite the decline, the level of renewals is in line with comparable journals as institutions switch to collection licenses such as the Wiley license which offered 6,630 institutions access to the Modern Law Review in 2019, an increase from 5,572 in 2018. There were 65 non-institutional subscriptions in 2019, an increase from 55 in 2018. In addition there were 86 Deeply Discounted Print subscriptions compared with 90 in 2018 – print subscriptions bought at a heavily reduced rate by customers with online licensed subscriptions.

The Modern Law Review is also available through electronic access at 6,825 institutions under the publishers' institutional licensed sales program and 6,630 institutions have access through a Wiley license, a collection license offered by our publishers. Article downloads increased 19.7% in 2019 over 2018. This suggests continued success for our newly designed website which was launched in January 2017 as well as improved marketing by our publishing partners.

The Modern Law Review is also available (free of charge or at very low cost) in 6,193 institutions in developing world countries through philanthropic initiatives.

**Seminars:** The following seminars were given support for 2020:

Aston	Emerging Technologies, Personality Law and the Dead
Durham	The Horizontal Effect of Human Rights in the UK and Beyond: An Emerging Transnational Discipline?
Edge Hill	Victims of Terrorism and States Responses
Exeter	Climate Litigation in Africa
Glasgow	The Right to Food
Leicester	Migration and Exploitation in Employment: Concepts, Designs and Responses
Liverpool	Between Race and Capitalism: Understanding 21st Century International Law
Northumbria	Gender Based Violence: Approaches to Education, Engagement and Elimination
Reading	Legal History as a Tool of Law Reform
Queen Mary	Reconceptualising Children's Rights
Queen Mary	Mapping the Material Turn for International Law: Transformative Agendas and Disciplinary Boundaries

**Scholarships:** The following students were awarded scholarships to support their doctoral research in the academic year 2019-20:

Cambridge	Karamvir Chadha
Cambridge	Joseph Liptrap
Durham	Marianna Iliadou
Durham	Eliza Bechtold
Durham	Ugochukwu Nwosu-Iheme
Durham	Karina Patricio Ferreira Lima
Edinburgh	Jonathan Ainslie
Edinburgh	Lynn Kennedy
Kent	Maayan Niezna
LSE	Martin Clark
LSE	Fatima Ahdash
LSE	Alexandros Damianos
Oxford	Katie Allan
Oxford	Julian Du Vergier
Queen Mary	Vasiliki Koukoulioti
Strathclyde	Laura Martin

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## THE MODERN LAW REVIEW LIMITED

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2019

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UCL	Ashleigh Keall
UCL	Alexandra Hearne
UCL	Aleisha Ebrahimi-Tsamis
Warwick	Sarah Ombija

**Translations:** No expenditure on translations was incurred in 2019.

**Wedderburn Prize:** The Wedderburn Prize 2019 for the best article published in volume 82 of the Review will be announced after the 2020 Annual General Meeting. The 2018 prize was awarded to Dylan Lino for his article, 'The Rule of Law and the Rule of Empire: A.V. Dicey in Imperial Context'.

#### Financial Review

**Contract with Blackwell Publishing Ltd:** The year 2019 was the ninth full year in which the Modern Law Review was published in accordance with the terms of a revised profit sharing agreement made with Wiley Blackwell Publishing in 2010. This contract also included the provision that the accounts for the bound volume should be integrated into the main journal accounts. Under the agreement, the amount received by MLR for the journal and bound volume for the year ending 31 December 2019, was £153,657. Under the contract, a separate payment of £12,599 was made by Wiley Blackwell as a contribution to editorial costs.

**Production Assistance and Articles Administration:** The amount spent on production assistance and articles administration in the year ended 31st December 2019 was £33,629, compared with £30,676 in the year ended 31st December 2018. Part of the increased cost reflects the increasing costs of maintaining the new Modern Law Review website. The now well established system for processing submissions to the articles section of the Review continues to work well. Payments are also made to outside contractors for copy editing, proof reading and preparation of the annual index to the Review. This expenditure ensures that the company fulfils its obligations in relation to the production of the Review.

**Administrative Assistance:** Payment for this service, which is essential for the efficient running of the company, is made in accordance with the terms of an agreement between the company and the Law Department of the London School of Economics which was revised in 2005. The cost of this assistance was £10,000 in 2019.

**Reserves:** The present level of funding is adequate to support the continuation of the company and the Directors consider the position of the company to be satisfactory. The Directors are currently assessing the possible impact of COVID 19. The situation is evolving rapidly and it is not possible at this stage to determine with any certainty the impact on the company and its objectives in the longer term.

**Taxation Status:** The company is a Registered Charity (Charity No. 264072) and as such is exempt from all Income and Corporation Tax liability.

**Auditors:** A resolution to reappoint Calder & Co. as auditors will be proposed at the Annual General Meeting of the company.

#### Public benefit statement under the Charities Act 2006

The Modern Law Review Ltd's charitable purpose is to advance education. In particular, the objects of the Modern Law Review Ltd are to promote legal education and the study of law and all other arts and sciences, in particular those which are of interest to those studying law, by such means as may be deemed desirable including the publication issue and circulation of a journal, the organisation of lectures and discussions, and the donation or founding of any scholarships, prizes or other rewards or distinctions.

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## THE MODERN LAW REVIEW LIMITED

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### TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2019

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The Review satisfied these aims for the public benefit in the following ways in 2019:

- By distributing £91,999 in scholarship awards for PhD students registered at UK universities
- By committing £32,396 in support of seminars to be held in 2020
- By awarding a prize of £750 for the best article published in the Review – the opportunity to submit an article to the Review is not limited by geographic location
- By offering free or very low cost access to the Review to 6,193 libraries in developing countries.

#### Plans for the Future

The Directors have agreed to maintain the amount committed to the support of scholarships as up to £89,000 in 2020.

The Directors will continue to support academic seminars in areas of interest to readers of the MLR to a total of up to £30,000 in 2020.

The amount of the Wedderburn Prize for 2020 will be £750.

The Directors are giving active consideration to other activities which fall within the scope of its principal objects of promoting legal education and the study of law and related disciplines.

#### BY ORDER OF THE BOARD

.....  
**Michael Lobban**  
**Secretary and Trustee**

**17 June 2020**



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## THE MODERN LAW REVIEW LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MODERN LAW REVIEW LIMITED

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#### OPINION

We have audited the financial statements of The Modern Law Review Limited (the 'charitable company') for the year ended 31 December 2019 set out on pages 10 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### CONCLUSIONS RELATING TO GOING CONCERN

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 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 Annual report, other than the financial statements and our Auditors' 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.

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## THE MODERN LAW REVIEW LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MODERN LAW REVIEW LIMITED

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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.

#### OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

#### MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

#### RESPONSIBILITIES OF TRUSTEES

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

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

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## THE MODERN LAW REVIEW LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MODERN LAW REVIEW LIMITED

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#### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' 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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Philip Ewen (Senior statutory auditor)  
for and on behalf of  
**Calders (1883) LLP**  
Statutory Auditor and Chartered Accountants  
30 Orange Street  
London  
WC2H 7HF  
17 June 2020

**THE MODERN LAW REVIEW LIMITED**

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	Unrestricted funds 2019 £	Total funds 2019 £	Unrestricted Funds 2018 £
<b>INCOME AND ENDOWMENTS FROM:</b>				
Charitable activities	2	174,977	174,977	187,950
Investments	3	19,128	19,128	16,551
<b>TOTAL INCOME AND ENDOWMENTS</b>		<b>194,105</b>	<b>194,105</b>	<b>204,501</b>
<b>EXPENDITURE ON:</b>				
<b>Charitable activities:</b>				
Governance	5	5,274	5,274	5,306
Charitable activities costs	4	187,321	187,321	136,328
<b>TOTAL EXPENDITURE</b>		<b>192,595</b>	<b>192,595</b>	<b>141,634</b>
<b>NET INCOME BEFORE INVESTMENT GAINS/(LOSSES)</b>		<b>1,510</b>	<b>1,510</b>	<b>62,867</b>
Net gains/(losses) on investments	8	103,794	103,794	(66,109)
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>		<b>105,304</b>	<b>105,304</b>	<b>(3,242)</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>105,304</b>	<b>105,304</b>	<b>(3,242)</b>
<b>RECONCILIATION OF FUNDS:</b>				
Total funds brought forward		1,146,023	1,146,023	1,149,265
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>1,251,327</b>	<b>1,251,327</b>	<b>1,146,023</b>

The notes on pages 13 to 20 form part of these financial statements.

The statement of financial activities includes all gains and losses in the year.  
All incoming resources and resources expended derive from continuing activities.

**THE MODERN LAW REVIEW LIMITED**  
**REGISTERED NUMBER: 00325282**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2019**

	Note	£	2019 £	£	2018 £
<b>FIXED ASSETS</b>					
Tangible assets	7		<b>400</b>		400
Investments	8		<b>1,003,647</b>		880,728
			<b>1,004,047</b>		881,128
<b>CURRENT ASSETS</b>					
Debtors	9	<b>121,128</b>		138,940	
Cash at bank and in hand		<b>222,633</b>		207,752	
		<b>343,761</b>		346,692	
<b>CREDITORS:</b> amounts falling due within one year	10	<b>(96,481)</b>		(81,797)	
<b>NET CURRENT ASSETS</b>			<b>247,280</b>		264,895
<b>NET ASSETS</b>			<b>1,251,327</b>		1,146,023
<b>CHARITY FUNDS</b>					
Unrestricted funds	11		<b>1,251,327</b>		1,146,023
<b>TOTAL FUNDS</b>			<b>1,251,327</b>		1,146,023

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

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

The financial statements were approved and authorised for issue by the Trustees on 17 June 2020 and signed on their behalf, by:

.....  
**Michael Lobban**  
**Trustee**

The notes on pages 13 to 20 form part of these financial statements.

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THE MODERN LAW REVIEW LIMITED

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STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2019

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	Note	2019 £	2018 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	13	<u>14,878</u>	<u>83,914</u>
<b>Cash flows from investing activities:</b>			
Income from investments		19,128	16,551
Purchase of investments		<u>(19,125)</u>	<u>(16,550)</u>
<b>Net cash provided by investing activities</b>		<u>3</u>	<u>1</u>
<b>Change in cash and cash equivalents in the year</b>		<b>14,881</b>	<b>83,915</b>
Cash and cash equivalents brought forward		<u>207,752</u>	<u>123,837</u>
<b>Cash and cash equivalents carried forward</b>	14	<u><u>222,633</u></u>	<u><u>207,752</u></u>

The notes on pages 13 to 20 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

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**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

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

The Modern Law Review Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**1.2 Company status**

The charitable company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company.

**1.3 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

**1.4 Income**

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

Income from charitable activities includes income arising from a profit sharing agreement with publishers in respect of the publication of The Modern Law Review. The company's share of profits from sales of the Journal (60%) and from sales of back issues of the Bound Volumes (60%) is recognised as income.

Investment income is recognised as received.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

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**1. ACCOUNTING POLICIES (continued)**

**1.5 Expenditure**

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

Governance costs are those incurred in connection with administration of the charitable company and compliance with constitutional and statutory requirements.

Charitable activities and Governance costs are costs incurred on the charitable company's educational operations, including support costs and costs relating to the governance of the charitable company apportioned to charitable activities.

Seminar costs awards are recognised once a commitment has been entered into to support a Seminar. Scholarships are recognised as and when the commitment made results in the payment falling due.

Charitable activities costs include expenditure associated with the publication of The Modern Law Review, the cost of the annual Chorley lecture, Seminar costs, Scholarships and support costs relating to these activities. The company's share of Publishing costs in respect of the Journal (60%) and back issues of the Bound volumes (60%) are recognised as costs.

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

**1.6 Investments**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of financial activities incorporating income and expenditure account.

**1.7 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charitable company; this is normally upon notification of the interest paid or payable by the Bank.

**1.8 Debtors**

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



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THE MODERN LAW REVIEW LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

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1. ACCOUNTING POLICIES (continued)

1.9 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charitable company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

2. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	<b>Unrestricted funds 2019 £</b>	<i>Unrestricted Funds 2018 £</i>
Journal income from profit sharing arrangement	<b>173,025</b>	185,949
Other royalties	<b>1,952</b>	2,001
	<b>174,977</b>	187,950
<i>Total 2018</i>	<b>187,950</b>	

3. INVESTMENT INCOME

	<b>Unrestricted funds 2019 £</b>	<i>Unrestricted Funds 2018 £</i>
Income from listed investments	<b>19,125</b>	16,550
Interest receivable	<b>3</b>	1
	<b>19,128</b>	16,551
<i>Total 2018</i>	<b>16,551</b>	

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**THE MODERN LAW REVIEW LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**4. CHARITABLE ACTIVITIES COSTS**

	<b>Total 2019 £</b>	<i>Total 2018 £</i>
Scholarships granted	<b>91,999</b>	62,200
Wedderburn prize	<b>750</b>	750
Secretarial services	<b>10,000</b>	10,010
Administration costs	<b>15,332</b>	13,790
Annual dinner & Chorley lecture	<b>13,473</b>	6,645
Bank charges	<b>12</b>	12
General expenses	<b>353</b>	549
Seminar costs awards	<b>32,396</b>	28,396
Production assistance	<b>18,297</b>	16,886
Contribution towards editorial costs	<b>(12,599)</b>	(12,196)
Journal publishing costs share	<b>19,369</b>	15,335
Seminar costs awards prior year over required	<b>(5,365)</b>	(50)
Website design and development	<b>3,304</b>	1,106
Secretarial services 2011/12 provision no longer required	<b>-</b>	(9,240)
Ghana workshop	<b>-</b>	2,135
	<b>187,321</b>	136,328
	<hr/> <hr/>	<hr/> <hr/>
<i>Total 2018</i>	<hr/> <hr/> <i>136,328</i>	

**5. GOVERNANCE COSTS**

	<b>Unrestricted funds 2019 £</b>	<i>Unrestricted Funds 2018 £</i>
Auditors' remuneration	<b>4,348</b>	4,228
Committee members expenses	<b>926</b>	1,078
	<b>5,274</b>	5,306
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NOTES TO THE FINANCIAL STATEMENTS  
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6. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2019 £	2018 £
Auditors' remuneration	4,348	4,228

During the year, no Trustees received any remuneration (2018 - £NIL).

During the year, no Trustees received any benefits in kind (2018 - £NIL).

6 Trustees received reimbursement of expenses amounting to £926 in the current year (2018 - 6 Trustees - £1,078).

7. TANGIBLE FIXED ASSETS

	Office Equipment £
<b>Cost</b>	
At 1 January 2019 and 31 December 2019	400
<b>Depreciation</b>	
At 1 January 2019 and 31 December 2019	-
<b>Net book value</b>	
At 31 December 2019	400
<i>At 31 December 2018</i>	400

No provision for depreciation has been made. It is the opinion of the Trustees that the current value of the asset exceeds the carrying value as above.

8. FIXED ASSET INVESTMENTS

	Listed securities £
<b>Market value</b>	
At 1 January 2019	880,728
Additions	19,125
Revaluations	103,794
At 31 December 2019	1,003,647

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**THE MODERN LAW REVIEW LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**8. FIXED ASSET INVESTMENTS (continued)**

**Investments at market value comprise:**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Various unit trusts, investments and OEIC's	<b>1,003,647</b>	<b>880,728</b>

All the fixed asset investments are held in the UK

**9. DEBTORS**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade debtors	<b>121,128</b>	<b>138,940</b>

**10. CREDITORS: Amounts falling due within one year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Other creditors	<b>96,481</b>	<b>81,797</b>

**11. STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

	<b>Balance at 1 January 2019 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Gains/ (Losses) £</b>	<b>Balance at 31 December 2019 £</b>
<b>Unrestricted funds</b>					
General Funds	<b>1,146,023</b>	<b>194,105</b>	<b>(192,595)</b>	<b>103,794</b>	<b>1,251,327</b>

**STATEMENT OF FUNDS - PRIOR YEAR**

	<b>Balance at 1 January 2018 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Gains/ (Losses) £</b>	<b>Balance at 31 December 2018 £</b>
General Funds	<b>1,149,265</b>	<b>204,501</b>	<b>(141,634)</b>	<b>(66,109)</b>	<b>1,146,023</b>
Total of funds	<b>1,149,265</b>	<b>204,501</b>	<b>(141,634)</b>	<b>(66,109)</b>	<b>1,146,023</b>

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**THE MODERN LAW REVIEW LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**SUMMARY OF FUNDS - CURRENT YEAR**

	Balance at 1 January 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2019 £
General funds	<u>1,146,023</u>	<u>194,105</u>	<u>(192,595)</u>	<u>103,794</u>	<u>1,251,327</u>

**SUMMARY OF FUNDS - PRIOR YEAR**

	Balance at 1 January 2018 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2018 £
General funds	<u>1,149,265</u>	<u>204,501</u>	<u>(141,634)</u>	<u>(66,109)</u>	<u>1,146,023</u>

**12. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	Unrestricted funds 2019 £
Tangible fixed assets	400
Fixed asset investments	1,003,647
Current assets	343,761
Creditors due within one year	(96,481)
	<u>1,251,327</u>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	Unrestricted funds 2018 £
Tangible fixed assets	400
Fixed asset investments	880,728
Current assets	346,692
Creditors due within one year	(81,797)
	<u>1,146,023</u>

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13. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2019 £	2018 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	105,304	(3,242)
<b>Adjustment for:</b>		
(Gains)/losses on investments	(103,794)	66,109
Dividends, interest and rents from investments	(19,128)	(16,551)
Decrease/(increase) in debtors	17,812	(735)
Increase/(decrease) in creditors	14,684	38,333
<b>Net cash provided by operating activities</b>	<b>14,878</b>	<b>83,914</b>

14. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2019 £	2018 £
Cash in hand	222,633	207,752
<b>Total</b>	<b>222,633</b>	<b>207,752</b>