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

TRUSTEES REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

THE MODERN LAW REVIEW LIMITED

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THE MODERN LAW REVIEW LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2018

Trustees	Julia Black Conor Gearty David Kershaw Andrew Lang Andrew Murray Thomas Poole Jo Braithwaite Dev Gangjee Maria Lee Gregoire Webber Michael Lobban Virginia Mantouvalou Tanya Aplin Jacco Bomhoff Orla Lynskey Donal Nolan Paul Roberts Kate Greasley (appointed 10 December 2018) Sangeeta Shah (appointed 10 December 2018) Emmanuel Voyiakis (appointed 10 December 2018) Tatiana Cutts (appointed 10 December 2018) Vanessa Munro (appointed 10 December 2018)
Company registered number	00325282
Charity registered number	264072
Registered office	Old Building Houghton Street London WC2A 2AE
Company secretary	Andrew Murray
Chief executive officer	David Kershaw
Independent auditors	Calders (1883) LLP Statutory Auditor and Chartered Accountants 16 Charles II Street London SW1Y 4NW
Bankers	HSBC Bank Plc 16 King Street Covent Garden London WC2E 8JF

THE MODERN LAW REVIEW LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The Trustees (who are also Directors of the Charity for the purposes of the Companies Act) submit their annual report and the audited financial statements of The Modern Law Review Limited (the company) for the year ended 31st December 2018. The Trustees confirm that the annual report and financial statements of the company comply with current statutory requirements, the requirements of the 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 (FRS 102) (effective 1 January 2015).

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Statement of responsibilities of the trustees

The Trustees 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 and charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 in the Charities SORP
- ~ make judgments 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
- ~ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that 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.

This report has been prepared in accordance with the Statement of Recommended Practice - 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) and with the provisions of the Companies Act 2006.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure to our 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 information needed by the Charity's auditors in connection with preparing their report and to establish that the Charity's auditors are aware of that information.

THE MODERN LAW REVIEW LIMITED

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2018

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 22 Directors who meet at least four 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 2018 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; and
- Sponsors the translation of scholarly works on legal or law related subjects which are not currently available in English.

THE MODERN LAW REVIEW LIMITED

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2018

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 81 of the Modern Law Review. The total number of institutional subscriptions for the Review was 551 in 2018 compared to 601 in 2017, though 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 5,572 institutions access to the Modern Law Review in 2018, an increase from 4,975 in 2017. The number of individual subscriptions rose slightly from 95 in 2017 to 100 in 2018. In addition there were 90 DDP subscriptions compared with 93 in 2017. 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 5,806 institutions under the publishers' institutional licensed sales program and 5,572 institutions have access through a Wiley license, a collection license offered by our publishers. Article downloads increased 41.7% in 2018 over 2017. This suggests continued success for our newly designed website which was launched in January 2017 as well as improved marketing by our publishing partners.

In 2018 45% of online traffic to the MLR's website and 38% of downloads were from the UK, this represents continued international appeal of the MLR and its website. By the end of 2018, 1,421 individuals were registered to receive automatic alerts from Wiley when new content appears on the Wiley Online Library. This reflects a 2.7% growth in registrants over the course of last year.

The Modern Law Review is also available (free of charge or at very low cost) in 7,939 libraries in developing world countries through philanthropic initiatives.

Seminars: The following seminars were given support for 2019:

Essex	The Future of Human Rights at Work: Brexit and Beyond
Glasgow	The Material Constitution: History and Contemporary Uses
LSE	European Junior Faculty Forum for Public Law and Jurisprudence
Northumbria	Human Trafficking: Criminal Law and Evidence
Northumbria	Revisiting Brexiting Problems in the Law: What is the Law School For+20 Years On
Leicester	Migrants' Rights at a Crossroads
Birmingham	Religious Freedom and Sexual Orientation Discrimination
Warwick	Critical Perspectives on Modern Slavery: Law Policy and Society

Scholarships: The following students were awarded scholarships to support their doctoral research in the academic year 2018/19:

Cambridge	Ekatarina Aristova
Cambridge	Catherine Bevilacqua
Cambridge	James Parish
City	Plamen Dinev
Durham	Marianna Iliadou
Durham	Karina Lima
Edinburgh	Jonathan Ainslie
Edinburgh	Josep Maria Guerra
Glasgow	Jose Godinez
KCL	Nafay Choudhury
KCL	Ioannis Kouris
LSE	Martin Clark
Oxford	Katie Allan
Oxford	Kalina Arabadjieva
Oxford	Elise Maes
Strathclyde	Laura Martin

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2018

UCL	Ashleigh Keall
UCL	Christina Lienen
Warwick	Sarah Ombija

Four awards were not claimed by the recipient institution and under the terms of the awards were therefore not paid out.

Translations: No expenditure on translations was incurred in 2018.

Wedderburn Prize: The Wedderburn Prize 2018 for the best article published in volume 81 of the Review will be announced at the 2019 Chorley Lecture and Dinner.

Financial Review

Contract with Blackwell Publishing Ltd: The year 2018 was the eighth 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 2018 was £170,614. Under the contract a separate payment of £12,286 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 2018 was £30,676 compared with £25,646 in the year ended 31st December 2017. Part of the increased cost reflects the higher 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 £10,010 in 2018.

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.

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 as 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.

THE MODERN LAW REVIEW LIMITED

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2018

The Review satisfied these aims for the public benefit in the following ways in 2018:

- By distributing £62,200 in scholarship awards for PhD students registered at UK universities. In addition a further £17,500 was committed but not disbursed in support of young scholars.
- By committing £28,396 in support of seminars to be held in 2019
- 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 7,939 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 £90,000 in 2019.

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 2019.

The amount of the Wedderburn Prize for 2019 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

.....
Andrew Murray
Secretary and Trustee

12 June 2019

THE MODERN LAW REVIEW LIMITED

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

OPINION

We have audited the financial statements of The Modern Law Review Limited (the 'charitable company') for the year ended 31 December 2018 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 2018 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.

THE MODERN LAW REVIEW LIMITED

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

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.

THE MODERN LAW REVIEW LIMITED

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

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. 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
16 Charles II Street
London
SW1Y 4NW
12 June 2019

THE MODERN LAW REVIEW LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	Unrestricted funds 2018 £	Total funds 2018 £	Unrestricted Funds 2017 £
INCOME AND ENDOWMENTS FROM:				
Charitable activities	2	187,950	187,950	188,672
Investments	3	16,551	16,551	8,124
TOTAL INCOME AND ENDOWMENTS		204,501	204,501	196,796
EXPENDITURE ON:				
Charitable activities:				
Governance	5	5,306	5,306	5,067
Charitable activities costs	4	136,328	136,328	132,488
TOTAL EXPENDITURE		141,634	141,634	137,555
NET INCOME BEFORE INVESTMENT GAINS/(LOSSES)		62,867	62,867	59,241
Net gains/(losses) on investments	8	(66,109)	(66,109)	57,953
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		(3,242)	(3,242)	117,194
NET MOVEMENT IN FUNDS		(3,242)	(3,242)	117,194
RECONCILIATION OF FUNDS:				
Total funds brought forward		1,149,265	1,149,265	1,032,071
TOTAL FUNDS CARRIED FORWARD		1,146,023	1,146,023	1,149,265

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 2018

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	7		400		400
Investments	8		880,728		930,287
			881,128		930,687
CURRENT ASSETS					
Debtors	9	138,940		138,205	
Cash at bank and in hand		207,752		123,837	
		346,692		262,042	
CREDITORS: amounts falling due within one year	10	(81,797)		(43,464)	
NET CURRENT ASSETS			264,895		218,578
NET ASSETS			1,146,023		1,149,265
CHARITY FUNDS					
Unrestricted funds	11		1,146,023		1,149,265
TOTAL FUNDS			1,146,023		1,149,265

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

The financial statements were approved and authorised for issue by the Trustees on 12 June 2019 and signed on their behalf, by:

.....
Andrew Murray
Trustee

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

THE MODERN LAW REVIEW LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by operating activities	13	83,914	5,622
		<hr/>	<hr/>
Cash flows from investing activities:			
Income from investments		16,551	8,124
Purchase of investments		(16,550)	(8,123)
		<hr/>	<hr/>
Net cash provided by investing activities		1	1
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		83,915	5,623
Cash and cash equivalents brought forward		123,837	118,214
		<hr/>	<hr/>
Cash and cash equivalents carried forward	14	207,752	123,837
		<hr/> <hr/>	<hr/> <hr/>

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

THE MODERN LAW REVIEW LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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.

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 2018

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.

THE MODERN LAW REVIEW LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

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

	Unrestricted funds 2018 £	<i>Unrestricted Funds 2017 £</i>
Journal income from profit sharing arrangement	185,949	186,421
Other royalties	2,001	2,251
	187,950	188,672
<i>Total 2017</i>	188,672	

3. INVESTMENT INCOME

	Unrestricted funds 2018 £	<i>Unrestricted Funds 2017 £</i>
Income from listed investments	16,550	8,123
Interest receivable	1	1
	16,551	8,124
<i>Total 2017</i>	8,124	

THE MODERN LAW REVIEW LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

4. CHARITABLE ACTIVITIES COSTS

	Total 2018 £	<i>Total 2017 £</i>
Scholarships granted	62,200	71,000
Wedderburn prize	750	750
Secretarial services	10,010	9,975
Administration costs	13,790	9,959
Annual dinner & Chorley lecture	6,645	6,743
Bank charges	12	11
General expenses	549	886
Seminar costs awards	28,396	-
Production assistance	16,886	15,687
Contribution towards editorial costs	(12,196)	(11,726)
Journal publishing costs share	15,335	17,789
Seminar costs awards prior year over required	(50)	-
Website design and development	1,106	9,050
Helen Reece memorial	-	1,600
Article 50 symposium	-	764
Secretarial services 2011/12 provision no longer required	(9,240)	-
Ghana workshop	2,135	-
	136,328	132,488
	<hr/> <hr/>	<hr/> <hr/>
<i>Total 2017</i>	<hr/> <hr/> 132,488	

Scholarship awards of £17,500 were made during the year but not claimed within the time permitted. These are not included as an expense as they will not be paid.

5. GOVERNANCE COSTS

	Unrestricted funds 2018 £	<i>Unrestricted Funds 2017 £</i>
Auditors' remuneration	4,228	4,228
Committee members expenses	1,078	839
	<hr/> <hr/> 5,306	<hr/> <hr/> 5,067

THE MODERN LAW REVIEW LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

6. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018	2017
	£	£
Auditors' remuneration	4,228	4,228

During the year, no Trustees received any remuneration (2017 - £NIL).

During the year, no Trustees received any benefits in kind (2017 - £NIL).

6 Trustees received reimbursement of expenses amounting to £1,078 in the current year (2017 - 4 Trustees - £839).

7. TANGIBLE FIXED ASSETS

	Office Equipment £
Cost	
At 1 January 2018 and 31 December 2018	400
Depreciation	
At 1 January 2018 and 31 December 2018	-
Net book value	
At 31 December 2018	400
<i>At 31 December 2017</i>	<i>400</i>

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 £
Market value	
At 1 January 2018	930,287
Additions	16,550
Revaluations	(66,109)
At 31 December 2018	880,728

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8. FIXED ASSET INVESTMENTS (continued)

Investments at market value comprise:

	2018	2017
	£	£
Various unit trusts, investments and OEIC's	880,728	930,287

All the fixed asset investments are held in the UK

9. DEBTORS

	2018	2017
	£	£
Trade debtors	138,940	138,205

10. CREDITORS: Amounts falling due within one year

	2018	2017
	£	£
Other creditors	81,797	43,464

11. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

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

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 January 2017 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2017 £
General Funds	1,032,071	196,796	(137,555)	57,953	1,149,265
Total of funds	1,032,071	196,796	(137,555)	57,953	1,149,265

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SUMMARY OF FUNDS - CURRENT 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>

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 January 2017 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2017 £
General funds	<u>1,032,071</u>	<u>196,796</u>	<u>(137,555)</u>	<u>57,953</u>	<u>1,149,265</u>

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT 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>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2017 £
Tangible fixed assets	400
Fixed asset investments	930,287
Current assets	262,042
Creditors due within one year	(43,464)
	<u>1,149,265</u>

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

	2018 £	2017 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(3,242)	117,194
Adjustment for:		
(Gains)/losses on investments	66,109	(57,953)
Dividends, interest and rents from investments	(16,551)	(8,124)
Increase in debtors	(735)	(11,643)
Increase/(decrease) in creditors	38,333	(33,852)
Net cash provided by operating activities	83,914	5,622

14. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash in hand	207,752	123,837
Total	207,752	123,837