

REGISTERED COMPANY NUMBER: 12123483 (England and Wales)
REGISTERED CHARITY NUMBER: 1185872

Spotlight on Corruption Ltd
Report of the Trustees and
Unaudited Financial Statements for the Year Ended 30 September 2023

Webb & Co Ltd
Accountants and Business Advisers
One New Street
Wells
Somerset
BA5 2LA

Spotlight on Corruption Ltd

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Spotlight on Corruption Ltd
Chairman's Report
for the year ended 30 September 2023

Spotlight on Corruption Annual Report 2022/23

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 30 September 2023.

Introduction by the Chair and Executive Director

Spotlight on Corruption has continued to grow, consolidate and mature over this financial year. We continue to work as a policy entrepreneur, generating bold and impactful solutions to key anti-corruption issues of the day.

Spotlight on Corruption provides a specific focus on how the UK enforces its anti-corruption laws and whether it is meeting its international commitments on combating corruption. We work to ensure the laws in place are fit for purpose, that they are proactively enforced, and that the UK has robust anti-corruption systems in place across government.

Our unique court monitoring programme is central to our work and provides part of our evidence base for much of our advocacy and policy work. We also undertake forensic, detailed research - drawing on extensive engagement with stakeholders - on how the UK enforces its anti-corruption laws and implements anti-corruption systems in line with international commitments. Spotlight's ability to make its mark is based on the way that we use this research and our court monitoring work to develop pragmatic yet ambitious recommendations for decision makers in government and parliament, and to inform public debate on anti-corruption issues.

Our Achievements

Spotlight has become a go-to organisation on corruption cases in the courts, as well as on issues relating to integrity in public life. For a small team, we have an outsized impact, with a strong media presence, and excellent relationships with law enforcement, experts, civil servants and parliamentarians.

Over the past financial year, we have worked to broaden how we get our messages across most effectively. As a result, during the year Spotlight on Corruption has:

- Had 151 quotes in the media, with 32 mentions, and 5 op-eds;
- Had our research referenced in 47 different Parliamentary debates;
- Submitted evidence to 7 different Select or Bill Committees and been cited in the final reports in 3;
- Provided briefings to Parliamentarians on 25 different amendments in 4 bills.

We have revamped our website, and increased our outreach through newsletters and social media.

This year has seen some exciting developments on issues that we have worked closely on, and which our work helped contribute towards:

- **Stronger economic crime legislation.** As the Economic Crime and Corporate Transparency Act passed through Parliament during the year, we worked with civil society allies to brief legislators on the issues behind the legislation. Crucially key corporate liability reforms - which represent the biggest upgrade of how companies can be prosecuted in over a decade and which we have campaigned on for several years - were introduced in this Act.
- **Greater scrutiny of professional enablers of economic crime and kleptocracy:** Russia's full-scale invasion of Ukraine has resulted in increased scrutiny of the legal sector's connections with individuals and entities linked to Putin's regime, and we made a timely contribution to this with our report on anti-money laundering supervision of the legal sector. This has helped generate increased pressure for tougher regulatory action against legal sector enablers. New obligations were introduced in the Economic Crime and Corporate Transparency Act to require legal sector regulators to promote the prevention and detection of economic crime, and to increase sanctions for the Solicitors Regulation Authority. The National Economic Crime Centre meanwhile has committed to develop a professional enablers strategy. This is a reflection of the growing consensus that tougher action must be taken against those who facilitate the entry of dirty money into the UK.

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- **New commitments by the government to tackle kleptocracy and economic crime:** This year saw a raft of new plans and strategies, including a new three year Economic Crime Plan, and a new White Paper on International Development, both of which Spotlight worked with partners to input into. It has also seen consultations for ambitious reform in relation to how UK professions are regulated for money laundering.
- **Sustained pressure to tackle weaknesses in the UK's election finance rules:** Spotlight on Corruption has worked extensively during the year to highlight potential gaps in the UK's electoral laws and its enforcement framework, particularly in relation to duties on parties to check where donations come from. This work has helped foster growing consensus, backed by experts and regulators, and parliamentarians across the political divide, that the current system is too weak to protect against dirty money.

Looking forward

The coming year will be one where implementation of new legislation and recent commitments to policy reform will come into sharp focus. A new anti-corruption strategy will be launched, and important decisions will be made about what the UK's anti-money laundering regulations and supervision should look like.

After major reforms to the UK's corporate liability regime, we will be asking whether those who run companies should face much greater accountability when things go wrong on their watch. And we will be revisiting whether law enforcement agencies are getting enough resources to do their job effectively.

We will also be looking more closely at the UK's sanctions regime - whether it is properly enforced, and whether there are too many loopholes that allow a business as usual approach to dealing with those who are sanctioned.

It will also be a major year for democracy and potential political upheaval with 40 different countries, including the UK, going to the polls to decide the next government. This is likely to bring issues such as political finance and disinformation to the fore, and could result in major policy resets in the UK and countries that are key allies such as the US.

In keeping with our strong collaborative ethos, we will continue to work in coordination with our civil society partners, and extensively with a wide range of stakeholders, to drive forward ambitious action to end the UK's role as a hub for dirty money and to ensure we get our own house in order.

With increased operational support, we will make sure that our staff have a rewarding and supportive environment in which to work, and that our systems for tracking our impact and learning as an organisation are enhanced. And we will expand our Board in line with our Diversity, Equity and Inclusion policy to bring on new charity governance skills, and improve Board oversight even further by increasing the number of meetings during the year.

Lloydette Bai-Marrow
Chair

Susan Hawley
Executive Director

Spotlight on Corruption Ltd
Report of the Trustees
for the year ended 30 September 2023

VISION, MISSION, OBJECTIVES AND ACTIVITIES

Our vision

We want to see a society with strong, transparent and accountable institutions which ensure corruption is not tolerated and democracy flourishes both in the UK and globally.

To achieve this we highlight corruption and the harm it causes, and campaign to improve the UK's legal systems and enforcement of the law.

Our mission

Spotlight on Corruption shines a light on the UK's role in corruption at home and abroad.

Our Charitable objects

Spotlight on Corruption's objects for the public benefit are:

- To prevent and relieve poverty in any part of the world caused directly or indirectly by corruption;
- To foster compliance with the law and the production of ethical codes of conduct by governmental, industrial, commercial, voluntary sector and commercial bodies;
- To promote the sound administration of the law in the field of anti-corruption.

Including (without limitation) by:

- The promotion and understanding of measures to reduce and eliminate corruption;
- The giving to legislative and public bodies and others, information and advice and assistance in relation to the reduction and elimination of corruption and effective means to achieve this;
- The promotion, undertaking or commissioning of research concerning effective means to achieve compliance with the law to promote ethical standards of conduct by governmental, industrial, commercial, voluntary sector and professional bodies.

Our work

Our work seeks to address the role corruption plays as a root cause in driving global poverty, impeding development, and undermining democracy, institutions and good governance.

Our work involves:

- Tracking the implementation and enforcement of the UK's anti-corruption laws to ensure that they are deterring and preventing corruption;
- Undertaking detailed, evidence-based and impactful research on the implementation and enforcement of the UK's anti-corruption laws and policy, looking for ways in which they can be improved;
- Exploring the role that strategic litigation can play in improving anti-corruption enforcement outcomes.

Over the past year, Spotlight on Corruption has undertaken the following activities towards our long-term goals.

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Report of the Trustees
for the year ended 30 September 2023

Long-term goal #1: **The UK has a robust legislative and regulatory framework for prosecuting and sanctioning corruption and financial crime**

Our work towards this goal has focused on the following specific objectives:

1. Stronger corporate liability rules and more effective mechanisms for holding senior executives to account

Ensuring that corporate bodies can be effectively held to account for criminality is essential to drive up standards of corporate behaviour, and ensure the private sector adopts robust preventative procedures.

Spotlight has been at the forefront of campaigning for reform in this area, presenting evidence on the case for reform in expert submissions and evidence to Parliamentary Select Committees and to government officials on a regular basis.

After three years of tireless campaigning, the government came forward with an amendment to the Economic Crime and Corporate Transparency Act which introduced both a failure to prevent fraud offence, and a reform to the underlying identification doctrine to ensure a company can be held to account where a senior manager has committed an offence. These are significant changes to the rules for holding companies to account for economic crime, even if they do not go as far as we were advocating. The new failure to prevent offence does not include money laundering, for instance, and only applies to large companies.

Meanwhile, we have continued with our research on how senior executives of large companies are being held to account when there are corporate prosecutions. We have watched carefully as the government has reviewed the Senior Managers and Certification Regime - a regime put in place after the financial crisis to ensure greater senior accountability - including making a detailed submission to the government's Call for Evidence highlighting that the regime is poorly enforced rather than in need of reform.

2. Stronger laws and regulation for tackling kleptocratic money laundering and its enablers

In October 2022, Spotlight produced a major report, *A Privileged Profession? How the UK's legal sector escapes effective supervision for money laundering*. We found significant gaps and poor supervision across the sector, and engaged closely with regulators and civil servants before the report's launch. We held two events, one with experts and practitioners with the Global Integrity Anti-Corruption Evidence Program, and another in Parliament in early 2023. We were delighted when the government included a new duty on legal sector regulators to promote and prevent economic crime in the Economic Crime and Corporate Transparency Act, and gave the Solicitors Regulation Authority power to impose unlimited fines - a key policy recommendation in our report. During the passage of the Bill we briefed Parliamentarians about the importance of the new duty for legal sector regulators to promote the prevention and detection of economic crime.

During the year we have participated in various different panels about the role of the legal sector in facilitating dirty money. This included joining a Taskforce on ethics in the legal sector set up by the International Business Ethics institute. We also engaged closely with a government Call for Evidence about how the professional services should be supervised for money laundering including attending roundtables and making a detailed submission.

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Long-term goal #2: **The UK has more proactive, properly resourced, transparent and effective enforcement of its anti-corruption laws**

No law is effective without robust enforcement. One of Spotlight's unique focuses is on how laws work in practice. Our objectives under this goal and the activities we conducted to obtain them are as follows:

1. Greater transparency and more effective anti-corruption law enforcement

Resourcing is fundamental to ensuring there is robust enforcement, and under-resourcing has become a key theme of much expert and political commentary about weak enforcement performance in the UK.

During the year we worked with Parliamentarians to raise issues of resourcing of law enforcement, including briefing Parliamentarians during the passage of the Economic Crime and Corporate Transparency Act on how an Economic Crime Fighting Fund could work and on protecting law enforcement from excessive costs when they take on deep-pocketed kleptocratic suspects. The government committed to review how costs protection could work in civil recovery cases as a result.

With civil society colleagues, we highlighted resourcing shortfalls when the government launched its Fraud Strategy and new Economic Crime Plan, through blogs and commentary. And we also raised resourcing in commentary and public opinion pieces on the work of the Serious Fraud Office.

We also highlighted the importance of transparency to prevent fraud and funding shortfalls for enforcement to recover sums lost to fraud during our First Tier Tribunal case against the British Business Bank and Information Commissioner, for failing to release the names of companies that received government backed loans under COVID-19 support schemes. While the Tribunal did not rule in our favour, we highlighted the crucial lessons from the schemes which resulted in huge losses to the public purse from fraud.

We were given permission by the Court of Appeal to intervene in an important proceeds of crime case - supported by Kingsley Napley and Kennedy Talbot KC - that has significant implications for the UK's anti-money laundering regime and law enforcement.

We regularly provided comment to journalists on corruption cases in the courts, and our senior legal researcher who leads the court monitoring program had comment pieces on the implications of several high profile cases in Law 360.

2. Greater transparency and open justice in the UK courts for economic crime cases.

Spotlight on Corruption has continued to monitor key corruption cases in the UK courts and advocate for open justice. Our court monitoring program has continued to go from strength to strength, with regular open justice applications being made for documents and commentary on cases being regularly cited in the press.

Our support of the BBC and Evening Standard's application for lifting of anonymity in the case of major Conservative donor allowed for the case to be widely reported, as well as setting a crucial open justice precedent.

We have set up a court calendar on our website and continue to develop our internal database of court documents, as well as providing a significant public service by helping journalists and civil society members to apply for court documents and sharing the documents we have.

Our advocacy arising from our court monitoring work resulted in the Justice Committee picking up on many of our recommendations in its report on Open Justice in November 2022.

We have engaged closely with the Ministry of Justice on its open justice consultation including attending several roundtables and working closely with academics and civil society colleagues to develop a joint position. And we have also worked with these colleagues to establish the Courts and Tribunals Observers Network, an initiative focused on how the public can be supported to observe courts and access information in digital and physical environments.

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3. More transparent return of stolen assets and better representation of the harms caused by corruption, and of its victims in the UK courts.

Spotlight on Corruption continues to monitor how the harm caused by corruption is represented in the courts and how victims of corruption are compensated.

This year we briefed civil servants and made representations to the government about the need to include victim compensation in the Anti-Corruption Strategy. We also coordinated joint civil society letters (including partners in affected countries) to the UK government and law enforcement advocating for compensation after mining giant, Glencore, was convicted of paying bribes in five African countries.

We have also submitted evidence to Parliamentarians about overseas corruption victims in relation to the Victims Bill, and are working with legal allies to brief parliamentarians on potential amendments to the Victims Bill which would ensure victims of corruption can be properly compensated in bribery cases.

We continued to regularly highlight the lack of attention to victims in our commentary to the press and engagement with law enforcement and government, and to raise awareness through analysis and commentary about the UK's need to increase its rate of asset recovery of kleptocratic funds to have greater credibility on the international stage.

Long-term goal #3: The UK governments puts in place stronger anti-corruption systems to tackle corruption at home and abroad

Spotlight on Corruption also takes a holistic approach to how the UK tackles corruption, looking at how stronger systems to tackle corruption and dirty money can be robust and effective across the board. During the year we worked towards the following objectives:

1. Stronger anti-corruption measures in UK procurement including specifically an effective debarment regime, and robust conflict of interest rules

We worked with civil society colleagues to brief parliamentarians during the passage of the Procurement Bill as it passed through Parliament, particularly with regard to the need to tighten up the provisions on conflicts of interest and exclusion/debarment. Our work helped foster strong cross-party support for robust debarment measures, although the government did not accept the case for tighter provisions. We also highlighted weaknesses in the relation to these areas in blogs, commentary and social media.

2. Stronger rules and regulation of standards in public life in the UK

In Spring 2023, we published a briefing, Integrity Deferred, looking in detail at how the government had implemented (or not implemented) crucial recommendations on improving standards made by the Committee on Standards in Public Life and Nigel Boardman following the Greensill inquiry. When the government made an announcement about significant but limited reforms it would make to the regulation of standards in public life, we published a briefing on how the reforms stacked up in relation to the recommendations made, and provided commentary, including participating in an Institute for Government podcast discussing the reforms.

We have continued to provide briefings on a cross-party basis to parliamentarians about how to strengthen the way that standards are regulated and to tackle domestic corruption, including for the Labour Party on what its proposed Integrity and Ethics Commission could look like, and how to tackle losses from fraud and corruption to the public purse, as well as working on a 5 point plan to improve standards in public life with former Anti-Corruption Champion, John Penrose.

We engaged with civil servants to argue for strong commitments on integrity in public life in the new Anti-Corruption Strategy, produced a blog on the use and limitations of blind trusts to manage conflicts of interest which has been widely covered in some parts of the media, and gave regular commentary to the media, including appearing on Times Radio and LBC in relation to the Westminster Accounts.

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3. Effective implementation and oversight of the Global Anti-Corruption Sanctions Regime to reduce impunity for corruption

During the year our work on sanctions has had to adapt to the reality of Russia's full-scale invasion of Ukraine, with sanctions against Russia rather than wider anti-corruption targets top of the political agenda. The UK's anti-corruption sanctions regime remains under-utilised and lacking in ambition.

Our court monitoring of sanctions cases has drawn attention to how the government's designation decisions are holding up under judicial scrutiny. We have also highlighted the serious issues with the UK's licensing regime and lack of coordination between the main sanctions regulator, the Office of Financial Sanctions Implementation (OFSI) and law enforcement that arose out of one case, and issues with law enforcement itself arising from another.

We have done a lot of work briefing Parliamentarians on a potential expansion of the sanctions evasion framework by requiring greater disclosure of assets by sanctioned individuals - a proposal that the government has committed to.

During the year, we have also put out significant commentary on sanctions enforcement and the licensing regime, engaged closely with OFSI and the Foreign, Commonwealth and Development Office (FCDO), including attending a meeting with the minister at the FCDO and facilitating a workshop between OFSI and civil society.

4. Stronger systems for preventing and tackling dirty money

Another issue that has emerged is the heightened risk of dirty money in party political financing. During the year we monitored several cases where prominent political donors had suspected links to dirty money.

We worked throughout the year to brief Parliamentarians about needs for checks on political parties to prevent foreign interference, during the passage of the National Security Bill. This work resulted in a tough stance by the House of Lords on the need for such checks and interventions by the Electoral Commission and members of the Intelligence and Security Committee, as well as the then chair of the Committee on Standards in Public Life - and in the government committing to consult on improving information-sharing between political parties, Companies House and other public bodies.

During the year we also developed a draft Know Your Donor policy for political parties with barristers specialising in electoral finance and anti-money laundering. We held a workshop with RUSI's Centre for Financial Crime Studies, with electoral law and money laundering experts and some representatives of political parties on the policy, and a follow up workshop at Cambridge Economic Crime Symposium on dirty money in electoral finance.

PUBLIC BENEFIT

The beneficiaries of our work are the victims of corruption in the UK and overseas and all those who will benefit from higher ethical standards of conduct in government and compliance with the law by the private sector. It includes ordinary citizens and voters, who are disadvantaged by governments misallocating public money as a result of corruption and who will benefit from the improved functioning of democracy that results from strong anti-corruption systems and robust institutions. It also includes businesses who are denied a level playing field by unfair practices that result from corruption.

Stronger enforcement of UK anti-corruption laws and higher anti-corruption standards in UK foreign policy and export support benefits victims of corruption and the public of countries affected by corruption by leading to:

- greater transparency about the identity of corrupt actors and the nature of their corruption to enable greater accountability;
- increased confiscation of corrupt assets which can be returned to affected countries through development projects;

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- potential compensation through the courts in the event of conviction which can likewise be returned to affected countries; and
- strong social condemnation of and stronger procedures to prevent bribery and corruption.

Our work benefits the wider public in the UK by providing expert and insightful analysis about how anti-corruption laws are being enforced and anti-corruption standards maintained, including through our website, Twitter account and media engagement. Our work on improving integrity and anti-corruption measures in procurement benefits the public in the UK through providing solutions for how to improve public trust in government and in public contracting and ensure greater value for money in government spending.

Our board has taken into account the Commission's guidance on public benefit guidance when making relevant decisions.

MONITORING AND EVALUATION

In September 2023, we produced our first Impact Report looking at our achievements since Spotlight started in 2019.

During the year, Spotlight continued to expand our internal monitoring tool to assess our impact. We log on a weekly basis our achievements and significant outputs, and are looking to conduct more regular deep-dive reviews evaluating which sorts of interventions have the most impact, and why. We also undertook significant evaluation of our work through a series of strategy and planning processes internally. We are committed to being a learning organisation, and looking at new ways to ensure we have a continuous process of evaluation as part of how we develop strategy and deliver our workplans.

FACTORS AFFECTING ACHIEVEMENT OF OBJECTIVES

As a small team with growing external demands on our time, managing urgent response to events and media driven opportunities alongside delivering long-term priorities is always a challenge. As we have become more established, such external demands on our time from speaking on panels to giving comment to the media have grown faster than our capacity.

Political will is a critical factor in achieving our objectives, and while there has been exceptionally strong political will in certain areas (particularly tackling dirty money as it relates to Russia and hostile states), in other areas it has been impossible to make progress due to lack of political will.

FUTURE PLANS - THE YEAR FROM OCTOBER 2023

As we deliver our Annual Plan for 23/24, we will be maintaining the same long-term goals and areas of work, with a specific focus over the next year on combating the UK's role as a hub for dirty money, making sure the Global Anti-Corruption Sanctions regime is used more ambitiously, as well as on encouraging strong political commitments on tackling dirty money in party political finance, and on better regulation of standards in public life.

At an organisational level, we will be exploring how we can work more efficiently and productively as a team, ensuring that staff feel valued and supported and that they can benefit from professional development. With increased operational capacity, we will be able to bring better systems and rhythm to our work. We will also be seeking to enhance Spotlight's financial sustainability, seeking out new opportunities for grants and donations.

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FINANCIAL REVIEW

This has been a year of financial stability at Spotlight as we consolidated last year's growth in our staff team. Overall income this year totalled £294,423 and we brought forward £440,810 from grants awarded in previous years. Sums brought forward included £369,946 from a three-year grant awarded by Open Society Foundations (OSF) in FY 2021-22 and generously provided in full at the outset of the grant period. The majority of our income this year came in the form of grant funding, and we also received £12,300 in contract funding from Open Society Justice Initiative and Fund for Policy Research to cover fees for legal advice on cases of mutual interest.

As in previous years, in FY 2022-23 Spotlight had good cash flow and financial security. After significant growth in FY 2021-22, expenditure grew more moderately in FY 2022-23, increasing by 16 per cent to £381,382. This reflected a period of stability after the 88 per cent increase in 2021-22 with the appointment of additional staff. This year a greater proportion of funds were therefore spent on our staff team. A lower proportion was spent on legal and professional fees, as FY 2020-21 included a one-off contract for professional polling to demonstrate public support for standards in public life. We continued our use of consultants contributing to research and business support.

Overall, the Charity ended the year with funds of £353,851, of which £252,129 represents the balance of the OSF funding which covered three years. We continue to be mindful that in order to sustain the size of organisation and achievements of this year, we shall need to secure substantial new funding within the next two financial years.

We are extremely grateful to our funders during this period:

The David and Elaine Potter Foundation
Joffe Charitable Trust
John Ellerman Foundation
The Joseph Rowntree Charitable Trust (JRCT)
JRSST Charitable Trust (JRSST-CT)
Luminate
Open Society Foundation London
Open Society Institute
REDRESS (sub-grant on behalf of Open Society Foundation)
Transparency International - UK (sub-grant on behalf of Open Society Foundation)
Fund for Policy Research

Further details of the grants are provided in Note 12.

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RESERVES POLICY

The Charity has reviewed its requirements for reserves from unrestricted income to be primarily for the following reasons: delays in funding or unforeseen terminations; cash flow variations. As a result of the review, Spotlight's policy is to hold reserves equating to at least three months of operating costs. With unrestricted funds of £234,937 carried forward, this requirement was met.

RISK MANAGEMENT

The Trustees have conducted a review of the major risks to which the charity is exposed and has a regularly updated risk register. The risk register is reviewed at each Board meeting. Where appropriate, systems or procedures have been identified to mitigate the risks that the charity faces.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

STRUCTURE, GOVERNANCE AND MANAGEMENT

In early 2024, after advertising the roles and conducting an interview process, Spotlight was delighted to recruit two new Trustees. With those new appointments soon to take place, Spotlight will be governed by seven Trustees, with Lloydette Mai-Barrow as Chair and Angus Brown as Treasurer. The Board is supported by a Finance and Audit Committee which oversees the finances of the organisation, drawing upon trustees with very significant expertise and experience in financial management and governance.

Board meetings take place three times a year, with Finance and Audit Committee meetings taking place ahead of the Board meetings. The Board approves Spotlight's Annual Plan in September ahead of each year, monitors its implementation in January, and receives a final report on activities and progress on objectives in the summer. In 2023, the Board approved a new Sickness Absence Policy as part of our commitment to supporting the wellbeing and health of staff.

The Executive Director is supported by a Senior Management Team, consisting of the Finance and Operations Advisor and a Senior Legal Researcher, and an Advisory Board of widely respected professionals from the sector. During the year we undertook a recruitment for a new Senior Grants and Operations Manager, who started work in October 2023 and will considerably ramp up our finance and operations work, to embed best practice, and bring greater efficiency and sustainability to the organisation.

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STRUCTURE, GOVERNANCE AND MANAGEMENT

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
12123483 (England and Wales)

Registered Charity number
1185872

Registered office
One New Street
Wells
Somerset
BA5 2LA

Trustees
Ms E Anderson (resigned 31/1/2023)
Ms L Bai-Marrow (Chair)
A Brown (Treasurer)
J Date
S Eastwood
J Kaye (Treasurer) (resigned 31/12/2022)
Ms C Stewart (appointed 22/11/2022)

Independent Examiner
Webb & Co Ltd
Accountants and Business Advisers
One New Street
Wells
Somerset
BA5 2LA

Banks

Triodos Bank	CCLA Investment Management
Deanery Road	1 Angel Lane
Bristol	London
BS1 5AS	EC4R 3AB

Senior Management Team
Dr Susan Hawley (Executive Director)
Mr George Havenhand
Mr Nigel Taylor

Approved by order of the board of trustees on 31 January 2024 and signed on its behalf by:

Ms L Bai-Marrow - Chair

**Independent Examiner's Report to the Trustees of
Spotlight on Corruption Ltd**

Independent examiner's report to the trustees of Spotlight on Corruption Ltd ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 30 September 2023.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Barry Davidson

Webb & Co Ltd
Accountants and Business Advisers
One New Street
Wells
Somerset
BA5 2LA

14 March 2024

Spotlight on Corruption Ltd

**Statement of Financial Activities
for the year ended 30 September 2023**

	Notes	Unrestricted fund £	Restricted fund £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Grant income	2	236,836	51,958	288,794	637,061
Investment income	3	5,294	-	5,294	-
Other income		<u>335</u>	<u>-</u>	<u>335</u>	<u>-</u>
Total		<u>242,465</u>	<u>51,958</u>	<u>294,423</u>	<u>637,061</u>
 EXPENDITURE ON					
Charitable activities	4				
Direct charitable activities and support costs		<u>183,033</u>	<u>198,349</u>	<u>381,382</u>	<u>328,698</u>
NET INCOME/(EXPENDITURE)		59,432	(146,391)	(86,959)	308,363
 RECONCILIATION OF FUNDS					
Total funds brought forward		<u>175,505</u>	<u>265,305</u>	<u>440,810</u>	<u>132,447</u>
TOTAL FUNDS CARRIED FORWARD		<u>234,937</u>	<u>118,914</u>	<u>353,851</u>	<u>440,810</u>

The notes form part of these financial statements

Spotlight on Corruption Ltd

Balance Sheet 30 September 2023

	Notes	Unrestricted fund £	Restricted fund £	2023 Total funds £	2022 Total funds £
CURRENT ASSETS					
Debtors	8	1,488	-	1,488	6,200
Cash at bank		<u>244,608</u>	<u>118,914</u>	<u>363,522</u>	<u>443,447</u>
		246,096	118,914	365,010	449,647
CREDITORS					
Amounts falling due within one year	9	(11,159)	-	(11,159)	(8,837)
		<u>234,937</u>	<u>118,914</u>	<u>353,851</u>	<u>440,810</u>
NET CURRENT ASSETS					
		<u>234,937</u>	<u>118,914</u>	<u>353,851</u>	<u>440,810</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>234,937</u>	<u>118,914</u>	<u>353,851</u>	<u>440,810</u>
NET ASSETS					
		<u>234,937</u>	<u>118,914</u>	<u>353,851</u>	<u>440,810</u>
FUNDS					
	10			234,937	175,505
Unrestricted funds				<u>118,914</u>	<u>265,305</u>
Restricted funds				<u>353,851</u>	<u>440,810</u>
TOTAL FUNDS					
				<u>353,851</u>	<u>440,810</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 September 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 September 2023 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

Spotlight on Corruption Ltd

**Balance Sheet - continued
30 September 2023**

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 31 January 2024 and were signed on its behalf by:

A Brown - Trustee

L Bai-Marrow - Trustee

Spotlight on Corruption Ltd

Notes to the Financial Statements for the year ended 30 September 2023

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Financial reporting standard 102 - reduced disclosure exemptions

The charitable company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Spotlight on Corruption Ltd

**Notes to the Financial Statements - continued
for the year ended 30 September 2023**

2. GRANT INCOME

	2023	2022
	£	£
Grants receivable	276,494	634,361
Fund for Policy Reform - Contract funding	8,400	-
OSI - Contract funding	<u>3,900</u>	<u>2,700</u>
	<u><u>288,794</u></u>	<u><u>637,061</u></u>

3. INVESTMENT INCOME

	2023	2022
	£	£
Deposit account interest	<u>5,294</u>	<u>-</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support costs (see note 5)	Totals
	£	£	£
Direct charitable activities and support costs	<u>378,922</u>	<u>2,460</u>	<u>381,382</u>

5. SUPPORT COSTS

Governance costs

	2023	2022
	£	£
Independent examiners fees	2,450	1,973
Finance charges	10	9
	<u>2,460</u>	<u>1,982</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration/other benefits or expenses for the year ended 30 September 2022 nor for the year ended 30 September 2021.

7. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	222,402	151,691
Social security costs	19,372	11,567
Other pension costs	<u>5,529</u>	<u>3,868</u>
	<u><u>247,303</u></u>	<u><u>167,126</u></u>

The average monthly number of employees during the year was as follows:

	2023	2022
Staff	<u>5</u>	<u>4</u>

No employees received emoluments in excess of £60,000.

Spotlight on Corruption Ltd

**Notes to the Financial Statements - continued
for the year ended 30 September 2023**

8.	DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2023	2022
		£	£
	Accrued income	<u>1,488</u>	<u>6,200</u>

9.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2023	2022
		£	£
	Social security and other taxes	2,133	57
	Other creditors	-	853
	Accrued expenses	<u>9,026</u>	<u>7,927</u>
		<u>11,159</u>	<u>8,837</u>

10.	MOVEMENT IN FUNDS		
		At	Net
		1/10/22	movement
		£	in funds
			£
	Unrestricted funds		
	General fund	175,505	59,432
	Restricted funds		
	Restricted Fund	265,305	(146,391)
		<u>440,810</u>	<u>(86,959)</u>
	TOTAL FUNDS		<u>353,851</u>

Net movement in funds, included in the above are as follows:

	Incoming	Resources	Movement
	resources	expended	in funds
	£	£	£
Unrestricted funds			
General fund	242,465	(183,033)	59,432
Restricted funds			
Restricted Fund	51,958	(198,349)	(146,391)
	<u>294,423</u>	<u>(381,382)</u>	<u>(86,959)</u>
TOTAL FUNDS			

Spotlight on Corruption Ltd

Notes to the Financial Statements - continued for the year ended 30 September 2023

10. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/10/21 £	Net movement in funds £	At 30/9/22 £
Unrestricted funds			
General fund	132,447	43,058	175,505
Restricted funds			
Restricted Fund	-	265,305	265,305
TOTAL FUNDS	<u>132,447</u>	<u>308,363</u>	<u>440,810</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	265,211	(222,153)	43,058
Restricted funds			
Restricted Fund	371,850	(106,545)	265,305
TOTAL FUNDS	<u>637,061</u>	<u>(328,698)</u>	<u>308,363</u>

11. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 30 September 2023.

12. ANALYSIS OF CHARITABLE FUNDS

	B/fwd £	Income £	Expenditure £	C/fwd £
Joseph Rowntree Charitable Trust	-	59,590	(59,590)	-
Joffe Charitable Trust	-	45,000	(26,250)	18,750
David and Elaine Potter Foundation	-	36,000	(13,333)	22,667
John Ellerman Foundation	20,000	30,000	(30,000)	20,000
OSF via REDRESS	2,610	22,158	(24,449)	319
OSF via TI UK	22,000	-	(22,000)	-
JRSST Charitable Trust	6,000	17,500	(22,083)	1,417
OSF UK AML Campaign	369,946	-	(117,817)	252,129
Luminate - direct funding	20,554	66,246	(53,860)	32,940
OSI - Contractor funding	(300)	3,900	(3,600)	-
Fund for Policy Research	-	8,400	(8,400)	-
General - other income	-	5,629	-	5,629
Total	<u>440,810</u>	<u>294,423</u>	<u>(381,382)</u>	<u>353,851</u>