

Company number: 5224240

Charity Number: 1105918

Omega Research Foundation Ltd

Report and financial statements
For the year ended 31st March 2016

Omega Research Foundation Ltd
Reference and administrative information
for the year ended 31st March 2016

Company number 5224240

Charity number 1105918

Registered office and operational address Bridge 5 Mill
22A Beswick Street
Ancoats
Manchester
M4 7HR

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Peter Gill (resigned 08/02/2016)	Chair
Mike Reed	Chair from 08/02/2016
Clive Bishop	Treasurer
Rick Seccombe	
Maud Grainger	
Natalie Wilkins	
Emilia McElvenney	
Josephine Dresner	

Company Secretary Fiona Gorton

Bankers The Co-operative Bank plc
1 Balloon Street
Manchester
M60 4EP

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4 JQ

Auditors Slade & Cooper Limited
Greenfish Resource Centre
46-50 Oldham Street
Manchester
M4 1LE

Omega Research Foundation Ltd
Trustees' annual report
for the year ended 31st March 2016

The trustees present their report and the audited financial statements for the year ended 31st March 2016. Included within the trustees' report is the directors' report as required by company law.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

The objects of the Omega Research Foundation are to advance the education of the public in the subject of international peace, human rights and the causes of conflict.

The aims of Omega are:

- To monitor the international trade in military, security and police (MSP) equipment in the pursuit of responsibility, transparency and accountability;
- To provide human rights organisations, the media, key decision-makers and the public with timely and accurate case study information on the MSP trade;
- To work with non-governmental organisations (NGOs) and media agencies to highlight breaches in regulations governing transfers of MSP equipment;
- To provide torture survivor support groups with information that enables them to seek legal redress from the governments and/or companies that produce and trade MSP equipment.

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education. All activities are undertaken to further the organisation's charitable objectives for the public benefit.

The charity's main objectives for the financial year 2015-16 were:

- To continue work on the three year project "Towards stronger controls on the supply and use of torture technologies" 80% funded by the European Commission;
- To work with Amnesty International and an increasing range of other partners to provide support and case studies for lobbying and advocacy activities in strengthening controls on the international trade and use of MSP equipment;
- To continue to work with Mispo.org, maintaining and expanding a photo-database for the recognition and tracing of military, security and police equipment;
- To offer reactive research services to highlight issues of concern in countries in conflict or human rights abuse cases;
- To continue to secure long-term and diversified funding.

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits arising from the charity's work. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

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The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Achievements and performance

The charity's main activities and resulting benefits are described below. All its activities focus on the charitable objective above, and are undertaken to further Omega Research Foundation's charitable purposes for the public benefit.

Omega researched and, with Amnesty International, jointly published in May 2015 the report: 'Grasping the Nettle' on the EC's Torture Trade Regulation, exposing transfers and company activity of concern. This was followed up with lobbying both the Human Rights (DROI) and International Trade (INTA) Committees of the European Parliament, to implement an amendment to the Regulation (planned for the end of the year) to include all the recommendations of the report. This was successful and the Committees' proposals were passed overwhelmingly by the European Parliament on 26th October 2015. Omega and Amnesty worked to build support among member states for the proposals to be promulgated into a new Regulation – a process which continued after the year end.

Omega and Amnesty International hosted a side meeting at the UN 'Crime Congress' in Doha, Qatar in April 2015 on "Challenges of Less-Lethal Weapons and Restraint Technologies for Law Enforcement", which included Christof Heyns, Special Rapporteur on extrajudicial, summary or arbitrary executions, on the panel. Our joint report, "[The Human Rights Impact of Less Lethal Weapons and other Law Enforcement Equipment](#)", was launched at this meeting and distributed to delegates, government representatives and UN agencies. We also participated in the UNODC hosted side meeting on 'Use of Force' and met with their staff regarding ongoing collaboration on this issue, leading to participation in an Expert Group Meeting on the UNODC Handbook on Use of Force in Law Enforcement reviewing the drafting of the new handbook (Vienna, 28-29th May), publication due 2017. Omega presented on issues of use of equipment and weapons, and continued to review chapters and provide policy and technical advice following the meeting.

Omega also contributed to the following Amnesty International publications:

- [Guidelines for implementation](#) of the UN Basic Principles on the Use of Force and Firearms by law enforcement officials, published on 7th September 2015, the 25th anniversary of BPUFF.
- [Autonomous Weapons Systems: Five key human rights issues for consideration](#), presented at the April 2015 CCW Meeting of Experts on Lethal Autonomous Weapons Systems in Geneva.
- [Combating torture and other ill-treatment: A manual for action](#) providing practical assistance to human rights defenders, lawyers, judges, law enforcement officers and other public officials, legislators, health professionals, law students and the media to expose and combat torture and other ill-treatment. (to be published Nov 2016)

Omega and the Bradford Non-Lethal Weapons Research Project published two papers, distributed at the Conference of States Parties of the Chemical Weapons Convention in December 2015:

- the first investigating and exposing production and promotion by Chinese companies of a range of "[wide area" riot control agent means of delivery](#);
- the second highlighting the human rights and human security concerns arising from the development and international marketing of automated or semi-automated riot control agent delivery systems including those carried on drones and unmanned ground robots, "[Tear Gassing by Remote Control](#)".

Omega provided training to a range of civil society groups and human rights monitors including:

- Jointly with Amnesty International on Introduction to Less Lethal Weapons and Social Protest and The Role of the Private Sector (focussing on manufacturing companies and state export

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controls) as part of a two day conference of the International Network of Civil Liberties Organisations (INCLO) in Buenos Aires organised by one member NGO, Centro de Estudios Legales y Sociales (CELS).

- For civil society organisations in the West Bank, Palestine, jointly with Amnesty International and the Human Rights Clinic of Al Quds University.
- On appropriate restraining of detainees and policy issues arising out of the Mandela Rules at the 'Summer School on Torture Prevention Preventing torture and ill-treatment of female detainees through gender-sensitive monitoring', University of Bristol, 10-13 August 2015, for 20 National Preventive Mechanisms and National Human Rights Institutions from across Europe, Central Asia and Latin America.
- For the UN Subcommittee on Prevention of Torture in February 2016 on issues of effective monitoring of weapons and equipment used in detention and associated human rights implications.
- On identifying and recording equipment used in policing protests, to a War Resisters International Conference in South Korea alongside activists from countries including Bahrain, Finland, Germany, Israel and the OPT, the Netherlands, South Korea, the USA and the UK.

A short verbal and poster presentation by Omega on [body worn electric shock weapons](#) was given at the 8th European Symposium on Non-Lethal Weapons (May 2015), and a full paper on the same topic was published in the conference proceedings.

Omega was awarded a Peacemaker by Quaker Peace and Social Witness. This extra member joined Omega's team in September 2015 for a year, working on ways of making some of the information we hold accessible to more people using data visualisations and other IT or online tools.

Omega collaborated with a range of researchers and specialists to produce a briefing on tear gas. This is web based on a dedicated website, [RiotID.com](#), and also easily printed to A4 size, available in English, Spanish, French and Arabic, with Portuguese, Turkish, and Chinese versions planned. It was widely promoted through Twitter and at the Dismaland exhibition and website, and has already been seen in use in Palestine.

Financial review

At the end of the financial year, Omega was in a strong financial position, with total Reserves of £323,290. Restricted Reserves were £33,122 in deficit, as money had been spent on the project "Towards stronger controls on the supply and use of torture technologies" in advance of grant receipts, which are paid in arrears. £55,000 was received from the Oak Foundation on 6th May 2016, which eliminated the deficit. This position demonstrates the need for Omega to hold unrestricted reserves, as described in the Reserves Policy below.

The long term financial viability of Omega depends on continual fundraising. During the year, Omega successfully applied to the Sigrid Rausing Trust for a further three years of funding, starting in July 2016, though we understand that this is to be the last time that they will fund us. Omega also applied to the UK Foreign and Commonwealth Office Magna Carta Fund for Democracy but was unsuccessful. We will use their feedback to prepare a strengthened application in the next year, and also plan to apply for further funding from the European Instrument for Democracy and Human Rights.

Reserves policy

Omega holds *Restricted Reserves*, being unspent funding provided for specific projects, and *Unrestricted Reserves* which can be subdivided into Designated Reserves, being the proportion of multi-year core grant funding relating to future years as stated in the grant agreement, and the General Fund.

Omega Research Foundation Ltd
Trustees' annual report
for the year ended 31st March 2016

The trustees have reviewed Omega's Reserves Policy and have come to the conclusion that an upper and lower limit of reserves held in the General Fund should be set bearing in mind the objective of holding such reserves. That is, reserves in the General Fund are intended to underpin the organisation's solvency and the continuity of its operations. However, the size of these reserves should not be excessive. Excessive reserves would lead to resources being idle and unused for long periods.

In relation to the upper limit the trustees have taken into consideration the experience of the last ten years. In that period Omega has received three grants from the European Commission via the European Instrument for Democracy and Human Rights each lasting around three years, with three months between the first two, and fifteen months between the second and third. The current grant ends in May 2017. These grants have typically provided around 70% of the organisation's income. In order to underpin the organisation's solvency during the periods waiting for the next grant receipt or between grants, the trustees consider the holding a maximum reserves in the General Fund of a year of basic operating costs to be reasonable. Currently, basic operating costs are running at around £240,000 per annum - £20,000 per month.

In relation to the lower limit should it become apparent that no further major grant is to be expected from the European Commission after 2016 or from an alternative grant provider, Omega would need to drastically restructure and reduce its size and scope of operations. The trustees estimate that the costs associated with such a restructuring and reduction would amount to five months of basic operating costs which currently would be around £100,000.

Reserves in the General Fund at the end of 2015-16 stood at £211,412 which is within the target limits of £100,000 to £240,000.

Plans for the future

We will continue to work on the EC funded project, "Towards stronger controls on the supply and use of torture technologies" which started in October 2013, and to fundraise for additional resources. We will also continue to offer research support to NGOs, researchers and journalists working in our areas of interest; to develop new partnerships with NGOs and funders to strengthen the organisation for the future; and to allow our knowledge and skills to be more widely available to likeminded organisations.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 7th September 2004 and registered as a charity on 16th September 2004.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

The Omega Research Foundation may by ordinary resolution appoint a person who is willing to act as a Trustee and determine the rotation in which any additional Trustees are to retire. Trustees are also Directors of the company. Trustees are recruited following the Trustee Recruitment Policy, which states that vacancies should be advertised and applications invited.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 10 to the accounts.

New Trustees go through an induction process and are given the option of training in any aspect of directorship that they feel is necessary.

Omega Research Foundation Ltd
Trustees' annual report
for the year ended 31st March 2016

Trustees meet 4-5 times per year and make decisions on the medium and long term aims and activities of the organisation, including: funding strategies; methods of attaining the organisation's objectives; organisational policies; and staffing levels. The Omega Research Foundation has a principal staff of seven to whom the day to day management of the organisation is delegated. This includes project management and financial administration.

The Trustees regularly review the risks to which the Omega Research Foundation is exposed and ensure that adequate systems are in place to manage those risks.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31st March 2016 was 7 (2015: 8). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

At 31 March 2016 Omega employed three full-time research staff, three part-time researchers, and a part-time administrative & finance officer. During the year two permanent research staff (one full-time, one part-time) left Omega and were replaced by two staff on fixed term contracts until the end of the current EC funded project. Omega also had one volunteer during the year, who was also employed as a temporary member of administrative staff for two months. Omega operates a flat management structure, with decisions being taken collectively by staff. All staff are paid at the same rate (pro-rata), which is set periodically by the trustees, taking account of inflation and the charity's available resources.

Omega Research Foundation Ltd
Trustees' annual report
for the year ended 31st March 2016

Statement of responsibilities of the trustees

The trustees (who are also directors of Omega Research Foundation for the purposes of company law) are responsible for preparing the trustees' annual 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 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 judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 charity 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.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

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

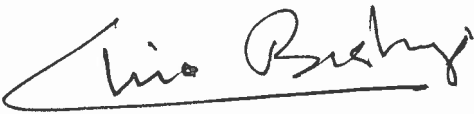
Omega Research Foundation Ltd
Trustees' annual report
for the year ended 31st March 2016

Auditors

Slade & Cooper Ltd were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime of the Companies Act 2006.

The trustees' annual report has been approved by the trustees on 12th December 2016 and signed on their behalf by

A handwritten signature in black ink, appearing to read 'Clive Bishop', with a long horizontal line extending from the end of the signature.

Clive Bishop
Treasurer

Independent auditors' report
to the members of
Omega Research Foundation

We have audited the financial statements of Omega Research Foundation Ltd for the year ended 31 March 2016, which comprise the Statement of Financial Activities (including the income and expenditure account), the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (Financial Reporting Standard 102) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 7, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016, 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 Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

(continued)

Independent auditors' report
to the members of
Omega Research Foundation

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 exemption in preparing the Trustees' Annual Report and take advantage of the small companies exemption from the requirement to prepare a strategic report.



James Gore-Langton FCCA DChA

Senior Statutory Auditor

for and on behalf of

Slade & Cooper Limited
Statutory Auditors
Green Fish Resource Centre
46-50 Oldham Street
Manchester
M4 1LE

Date: 22 December 2016

Omega Research Foundation
Statement of Financial Activities
(including Income and Expenditure account)
for the year ended 31 March 2016

	Note	Unrestricted funds £	Restricted funds £	Total funds 2016 £	Total funds 2015 £
Income from:					
Donations and legacies	3	2	-	2	2
Charitable activities	4	167,973	181,438	349,411	108,837
Investments	5	137	114	251	238
Total income		168,112	181,552	349,664	109,077
Expenditure on:					
Charitable activities	6	41,454	214,674	256,128	309,043
Total expenditure		41,454	214,674	256,128	309,043
Net income/(expenditure) for the year	8	126,658	(33,122)	93,536	(199,966)
Net movement in funds for the year		126,658	(33,122)	93,536	(199,966)
Reconciliation of funds					
Total funds brought forward		229,754	-	229,754	429,720
Total funds carried forward		356,412	(33,122)	323,290	229,754

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

Omega Research Foundation
Company number 5224240
Balance sheet as at 31 March 2016

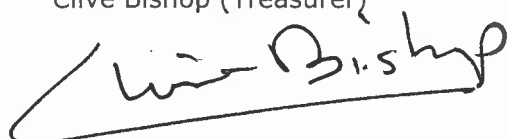
	Note	2016	2015
		£	£
Current assets			
Debtors	13	147,950	120,527
Cash at bank and in hand		194,083	129,871
Total current assets		342,033	250,398
Liabilities			
Creditors: amounts falling due in less than one year	14	(18,743)	(20,644)
Net current assets		323,290	229,754
Total assets less current liabilities		323,290	229,754
Net assets		323,290	229,754
The funds of the charity:			
Restricted income funds	15	(33,122)	-
Unrestricted income funds:			
Designated fund: Long term grants	16	145,000	-
General funds	16	211,412	229,754
Total charity funds		323,290	229,754

These accounts are prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes on pages 14 to 23 form part of these accounts.

Approved by the trustees on 12/12/2016 and signed on their behalf by:

Clive Bishop (Treasurer)



Omega Research Foundation
Statement of Cash Flows
for the year ending 31 March 2016

	Note	2016 £	2015 £
Cash flow from operating activities			
Net income/(expenditure) for the year		93,536	(199,966)
Adjustments for:			
Dividends, interest and rents from investments		(251)	(238)
Decrease/(increase) in debtors		(27,423)	65,775
Increase/(decrease) in creditors		(1,901)	(1,287)
Cash provided by/(used in) operating activities		63,961	(135,716)
<i>Cash flows from investing activities:</i>			
Dividends, interest, and rents from investments		251	238
Cash provided by/(used in) investing activities		251	238
Increase/(decrease) in cash and cash equivalents in the year		64,212	(135,478)
Cash and cash equivalents at the beginning of the year		129,871	265,349
Cash and cash equivalents at the end of the year		194,083	129,871

Omega Research Foundation

Notes to the accounts for the year ended 31 March 2016

1 Accounting policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a Basis of preparation

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

Omega Research Foundation meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

b Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

At the date of transition in applying the requirement to recognise liabilities arising from employee benefits, a liability was recognised for short-term compensated absence arising from employee entitlement of the charity to paid annual leave. The initial liability recognised at the date of transition was for the holiday entitlement carried forward and for the entitlement arising in the year which was due but not taken. The initial liability was for £12,337.

Under FRS102 income is recognised when it is "probable" under previous GAAP it was recognised when it was "virtually certain". The change in recognition criteria has affected grant income and the following grants have now been recognised additionally in these years:

	1 April 2014 £	31 March 2015 £
Fund balances as previously stated	272,057	182,333
Recognition of probable grants		
Sigrid Rausing	120,000	60,000
Joseph Rowntree Charitable Trust	50,000	-
Short-term compensated absences	(12,337)	(12,579)
	<hr/>	<hr/>
Fund balances as restated	429,720	229,754
	<hr/>	<hr/>

Omega Research Foundation

Notes to the accounts for the year ended 31 March 2016 (continued)

c Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

No key judgments which the trustees have made which have a significant effect on the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

d Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met.

e Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised; refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

f Interest receivable

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

Omega Research Foundation

Notes to the accounts for the year ended 31 March 2016 (continued)

g Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. The charity has one designated fund, the long term grants fund, which holds grant income awarded under multi-year grants. This is transferred to the general fund over the life of the grant.

The remaining unrestricted funds are the general funds of the charity.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity. Some grants which fall into this category are paid in arrears, after expenditure has already occurred, which can leave restricted funds in deficit for short periods of time.

h Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 7.

j Operating leases

Operating leases are leases in which the title to the assets, and the risks and rewards of ownership, remain with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

k Tangible fixed assets

Individual fixed assets costing £5,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives. There are currently no fixed assets.

Omega Research Foundation

Notes to the accounts for the year ended 31 March 2016 (continued)

l Fixed asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

m Debtors

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

n Cash at bank and in hand

Cash at bank and cash 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.

o Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

q Foreign currencies

Transactions entered into in currencies other than sterling are included in the accounts after conversion at the bank rate in force on the date.

Omega Research Foundation

Notes to the accounts for the year ended 31 March 2016 (continued)

r Pensions

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. The charity's contribution is restricted to the contributions disclosed in note 9. The costs of the defined contribution scheme are included within staff costs in note 6, and are allocated between funds in proportion to the allocation of staff time.

The money purchase plan is managed by TPT Retirement Solutions (previously The Pensions Trust) and the plan invests the contributions made by the employee and employer in an investment fund to build up over the term of the plan a pension fund which is then converted into a pension upon the employee's normal retirement year age when eligible for a state pension. The total expense ratio of the plan is 0.69% and this is deducted from the investment fund annually. The charity has no liability beyond making its contributions and paying across the deductions for the employee's contributions. The contributions outstanding at the year-end were £1,109.

2 Legal status of the charity

The charity is a company limited by guarantee registered in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The registered office address is disclosed on page 1.

3 Income from donations and legacies

	Unrestricted £	Restricted £	Total 2016 £	Total 2015 £
Donations	2	-	2	2
Total	2	-	2	2
<i>Total by fund 31 March 2015</i>	2	-	2	

4 Income from charitable activities

	Unrestricted £	Restricted £	Total 2016 £	Total 2015 £
European Commission grant	-	177,438	177,438	55,121
Joseph Rowntree Charitable Trust grant	165,000	-	165,000	-
Oak Foundation grant	-	-	-	50,000
Oxford Research Group grant	-	4,000	4,000	4,000
Other income from charitable activity	2,973	-	2,973	(284)
Total	167,973	181,438	349,411	108,837
<i>Total by fund 31 March 2015</i>	-	108,837	108,837	

Omega Research Foundation

Notes to the accounts for the year ended 31 March 2016 (continued)

5 Investment income

	Unrestricted £	Restricted £	2016 £	2015 £
Income from bank deposits	137	114	251	238
	<u>137</u>	<u>114</u>	<u>251</u>	<u>238</u>

6 Analysis of expenditure on charitable activities

	Total 2016 £	Total 2015 £
Staff costs	184,787	197,189
Accommodation	7,928	7,466
Publishing (including websites)	7,527	1,630
Travel	10,697	27,758
Training provision	1,970	16,364
Research	686	3,055
Fundraiser's fees	300	5,327
Governance costs (see note 7)	9,510	8,785
Support costs (see note 7)	32,723	41,469
	<u>256,128</u>	<u>309,043</u>
	2016 £	2015 £
Restricted expenditure	214,674	304,367
Unrestricted expenditure	41,454	4,676
	<u>256,128</u>	<u>309,043</u>

7 Analysis of governance and support costs

	Support £	Governance £	Total 2016 £
Staff costs	15,743	4,891	20,634
Office costs	12,409	556	12,965
Audit fees	-	3,780	3,780
External evaluation	3,094	-	3,094
Recruitment costs	841	-	841
Database redevelopment	575	-	575
Other	61	283	344
	<u>32,723</u>	<u>9,510</u>	<u>42,233</u>

The charity has one activity and therefore support costs are not apportioned.

Omega Research Foundation

Notes to the accounts for the year ended 31 March 2016 (continued)

8 Net income/(expenditure) for the year

This is stated after charging/(crediting):	2016 £	2015 £
Auditor's remuneration - audit fees	2,250	1,900
Auditor's remuneration - grant audit	-	1,080
	<hr/>	<hr/>

9 Staff costs

Staff costs during the year were as follows:

	2016 £	2015 £
Wages and salaries	183,776	191,003
Social security costs	14,860	17,994
Pension costs	6,785	8,174
	<hr/>	<hr/>
	205,421	217,171
	<hr/>	<hr/>

Allocated as follows:

Charitable activities	184,787	197,189
Support costs	15,743	15,139
Governance costs	4,891	4,843
	<hr/>	<hr/>
	205,421	217,171
	<hr/>	<hr/>

No employees has employee benefits in excess of £60,000 (2015: Nil).

The average number of staff employed during the period was 7 (2015: 7).

The average full time equivalent number of staff employed during the period was 5 (2015: 5).

Omega operates a flat management structure, with decisions being taken collectively by staff. The key management personnel of the charity comprise the trustees and the staff team. The total employee benefits of the key management personnel of the charity were £198,636 (2015: £208,997).

10 Trustee remuneration and expenses, and related party transactions

Neither the management committee nor any persons connected with them received any remuneration during the year (2015: Nil).

One member of the management committee received travel and subsistence expenses during the year of £35 (2015: Nil).

Aggregate donations from related parties were Nil (2015: Nil).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2015: Nil).

Omega Research Foundation

Notes to the accounts for the year ended 31 March 2016 (continued)

11 Government grants

The government grants recognised in the accounts were as follows:

	2016 £	2015 £
European Commission	177,438	55,121
	<u>177,438</u>	<u>55,121</u>

Some of the European Commission grant was unspent at the year end (see note 15). This grant is to cover 80% of costs on the project "Towards stronger controls on the supply and use of torture technologies", which will run until May 2017. The grant balance carried forward was spent in April 2016.

12 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

13 Debtors

	2016 £	2015 £
Grants receivable	145,000	115,121
Trade debtors	-	770
Prepayments and accrued income	2,950	4,636
	<u>147,950</u>	<u>120,527</u>

Grants receivable consists of the second and third years' payments on a 3 year grant from the Joseph Rowntree Charitable Trust. This amount is held in the Long term grants designated fund (see note 16).

14 Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	203	246
Short term compensated absences (holiday pay)	10,196	12,579
Other creditors and accruals	3,810	3,540
Taxation and social security costs	4,534	4,279
	<u>18,743</u>	<u>20,644</u>

Omega Research Foundation

Notes to the accounts for the year ended 31 March 2016 (continued)

15 Analysis of movements in restricted funds

	Balance at 1 April 2015 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2016 £
European Commission	-	177,552	(168,653)	-	8,899
Oak Foundation	-	-	(42,021)	-	(42,021)
Oxford Research Group	-	4,000	(4,000)	-	-
Total	-	181,552	(214,674)	-	(33,122)

Name of	Description, nature and purposes of the fund
European Commission	Funding for the project "Towards stronger controls on the supply and use of torture technologies"
Oak Foundation	Matched funding for the project "Towards stronger controls on the supply and use of torture technologies" The Oak Foundation grant is to cover 20% of costs of the project. The grant payment relating to this period was not received until after the year end.
Oxford Research Group	Funding for the paper "Teargassing by Remote Control" through the Remote Control project funded by the Network for Social Change

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity. Some grants which fall into this category are paid in arrears, after expenditure has already occurred, which can leave restricted funds in deficit for short periods of time.

Omega Research Foundation

Notes to the accounts for the year ended 31 March 2016 (continued)

16 Analysis of movement in unrestricted funds

	Balance at 1 April 2015 £	Income £	Expenditure £	Transfers £	As at 31 March 2016 £
General fund	169,754	3,112	(41,454)	80,000	211,412
Designated fund: Long term grants	60,000	165,000	-	(80,000)	145,000
	<u>229,754</u>	<u>168,112</u>	<u>(41,454)</u>	<u>-</u>	<u>356,412</u>

Name of	Description, nature and purposes of the fund
General fund	The free reserves after allowing for all designated funds
Long term grants fund	Income from multi-year core grants, currently from the Sigrid Rausing Trust (3 year grant ending in the current year) and the Joseph Rowntree Charitable Trust (3 year grant starting in the current year), to be transferred to the general fund over the life of the grant, following the grant agreement.

17 Analysis of net assets between funds

	General fund £	Long term grants fund £	Restricted funds £	Total £
Net current assets/(liabilities)	211,412	145,000	(33,122)	323,290
Total	<u>211,412</u>	<u>145,000</u>	<u>(33,122)</u>	<u>323,290</u>