



THOMSON REUTERS
FOUNDATION

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THOMSON REUTERS FOUNDATION

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2016



**THOMSON REUTERS
FOUNDATION**

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THOMSON REUTERS FOUNDATION
ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2016

CONTENT

| | PAGES |
|--|---------|
| ORGANISATIONAL DETAILS | 1-2 |
| CEO'S STATEMENT | 3-4 |
| TRUSTEES' REPORT | 5 - 21 |
| INDEPENDENT AUDITORS' REPORT | 22 -23 |
| CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES | 24 |
| BALANCE SHEETS | 25 |
| CONSOLIDATED STATEMENT OF CASH FLOW | 26 |
| NOTES TO THE FINANCIAL STATEMENTS | 27 - 44 |

ORGANISATIONAL DETAILS

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For more information about our work, go to www.trust.org

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THOMSON REUTERS FOUNDATION



----> | **An overview of 2016 by Monique Villa,**
CEO Thomson Reuters Foundation

2016 at the Thomson Reuters Foundation

This has been the year of innovation, right across all our four key programmes with continued growth both in terms of impact and new initiatives. I think of Place, our land and property rights portal launched in spring 2016, I think of our new team of journalists covering slavery across India since January 2016, I think of the Stop Slavery Award given for the first time in November 2016, the sextortion and the refugee rights legal research driven by TrustLaw, and finally our enhanced corporate training offering. All departments have been literally non-stop on all fronts. What keeps us going - I guess - is seeing the big impact of our work and partnering with some incredibly powerful and strong like-minded organisations.

The Foundation's programmes this year

We added a dozen journalists to our editorial team, expanding our coverage to new under-reported areas like human trafficking and access to land and property. Both efforts were supported through external funding. Place is funded through an investment made by the Omidyar Network and another small partner. Our Indian slavery coverage is supported by a grant from the C&A Foundation. Both these partnerships have been fantastic from the start. By shedding light on stories others just don't cover we are starting a new global conversation. It's refreshing to see that, at a time when everybody is worrying about fake news, funders come to us to invest in trusted journalism, whether through editorial coverage or training.

TrustLaw continues to expand the practice of pro bono around the world, attracting new members by the week. In the last six years, the Foundation has changed the practice of pro bono for hundreds of firms, giving them cases all over the globe and the opportunity to work with other legal teams in a way they never did before. As a result, our legal research is incredibly strong and law firms tell us they have spent the equivalent of 85 million dollars in pro bono work for our members since we began working in 2010 with the best NGOs and social entrepreneurs in 175 countries. It's fascinating to see how the work of lawyers can bring so much change to the lives of millions of people who need help the most.

This year we have also grown our corporate training offering, a successful way to support the growth and impact of our operational programmes.

Trust Women Conference where we take action on big issues has become the world's leading anti-slavery forum. With 700 delegates coming to London this year, we have really seen the event evolving into something much bigger than just a women's rights conference. And this is why I decided to rename Trust Women the Trust Conference, exploring even further themes such as slavery, mass migration, radicalization, and the breaking of social taboos. The name changes, the spirit of the conference won't.

Stop Slavery Award

This is one of the highlights of 2016. The award was launched to honour companies which are the best at fighting forced labour deep down their supply chains. I had no idea how many would want to be candidates and be brave enough to place themselves under more scrutiny. I was incredibly pleased to see global giants such as Apple or Tesco apply for it and finish in the short list of the ten corporations who undertook the most consistent efforts to try to clean their supply chains. NXP Semiconductors and Hewlett Packard Enterprise won the Award, a superb statue from Anish Kapoor and will be able to use its logo for one year. The jury and I look forward to seeing the candidates for the 2017 Stop Slavery Awards.

The Foundation in 2017

On top of my wish list I put the liberation of our colleague Nazanin Zaghari-Ratcliffe, who has been detained in Iran since 3 April. I know Nazanin is innocent and all of us at the Foundation want her back. Her daughter Gabriella desperately needs her mother, and so does her husband Richard Ratcliffe who is incredibly brave under the circumstances. Let us hope all our efforts to free her will finally come to a result.

For the Foundation, you can expect bigger impact and more action across the board. We keep on growing and our services are more and more needed in this very fast-changing world. Never has TrustLaw or independent reporting been more needed.



THOMSON REUTERS FOUNDATION

OBJECTIVES AND ACTIVITIES

The Trustees are pleased to present their annual Trustees' report together with the consolidated financial statements of the Foundation and its subsidiary for the year ending 31 December 2016, which are also prepared to meet the requirements for a directors' report, strategic report, and accounts for Companies Act purposes. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and 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).

We promote **socio-economic progress** and the rule of law worldwide. We act as an impact multiplier, leveraging the know-how, reach and reputation of the Thomson Reuters enterprise to run programmes that inform, connect and ultimately empower people **around the world**.

OUR CORE PROGRAMMES



TRUSTLAW



TrustLaw is the Thomson Reuters Foundation's global pro bono legal programme. We work with the world's best law firms to provide free legal assistance and research to non-governmental organisations (NGOs) and social enterprises.



TRUST WOMEN



We convene thought leaders, decision makers and activists to take action to put the rule of law behind women's rights, and to fight modern-day slavery.



UNDER-REPORTED NEWS



We cover the stories overlooked by mainstream media; property rights, slavery and human trafficking, women's rights development and the human impact of climate change, triggering a debate that leads to open, fair and better informed societies.



MEDIA DEVELOPMENT



We promote the highest standards in journalism, training reporters around the world, and creating independent news platforms.

Corporate Training → We deliver innovative media training solutions to governments and organisations worldwide. This helps fund our philanthropic activities.

Reuters Institute for the Study of Journalism → We fund the Reuters Institute at the University of Oxford, the world's leading research centre for comparative journalism.

2016 ACHIEVEMENTS AND PERFORMANCE

01 TRUSTLAW

In six years, we have generated the equivalent of \$85M in free legal assistance across 175 countries

TrustLaw is the Thomson Reuters Foundation's global pro bono legal programme. It connects the world's leading law firms and corporate legal teams with high-impact NGOs and social enterprises to drive social progress. TrustLaw helps produce groundbreaking legal research, and offers innovative legal training worldwide.

In six years, the programme generated the equivalent of \$85 million in free legal assistance across more than 175 countries, delivering legal support that has significantly impacted local communities. With staff in 9 countries and fluency in 19 languages, the TrustLaw network continues to expand, spreading the practice of pro bono to countries where it is less established. Our network of law firms provides crucial advice that NGOs and social enterprises need to grow, expand their operations and comply with local laws. Our legal research programmes support advocacy on key social and policy issues – raising awareness and leading to legal and policy changes.

Since its launch in 2010, TrustLaw has extended its membership to over 3,600 organisations. In 2016 membership grew by over 21%. TrustLaw members now include 650 law firms and 2,952 NGOs and social enterprises, which have been carefully vetted by the Foundation.

TrustLaw continues to expand: over 60% of our projects are outside of traditional pro bono jurisdictions (UK, US and Australia). In 2016, TrustLaw connected 742 requests for legal assistance from NGOs and social enterprises with legal teams around the world, a 30% year on year increase from 2015.

In addition to the world's top global law firms, TrustLaw has built a wide network of law firms in countries with little tradition of pro bono legal work - 74 of the top Indian law firms are part of TrustLaw now, as well as 11 domestic Chinese firms and corporate counsels, 92 across Latin America, and 67 across Africa.

Over 95% of NGO and social enterprise members who used TrustLaw are satisfied or very satisfied with the service.

The TrustLaw Index of Pro Bono is the first global survey capturing international trends in pro bono legal assistance on a country-by-country basis. The Index in 2016 was compiled with data from over 130 law firms representing 64,500 lawyers in 75 countries. In particular, the 2016 survey indicated that lawyers donated over 2.5 million hours of free legal support, performing an average of over 39 hours of pro bono each.

Programme highlights

- European refugee crisis: To support humanitarian and advocacy work in response to the European refugee crisis, TrustLaw facilitated a cross-border research partnership between the International Rescue Committee (IRC), Latham & Watkins and a consortium of local legal experts, public international law consultants and academics on legal issues related to border control, asylum and refugee resettlement. The project won the 2016 TrustLaw Collaboration Award.
- "... [t]he international expertise from Trustlaw and Latham & Watkins is helping us immensely", says Ward. "The depth of their knowledge has strengthened our policy recommendations towards European leaders and beyond, to put in place measures that better equip us for the new norm of global displacement."
- Melanie Ward, International Rescue Committee
- Ensuring equal opportunities in education in India: Through TrustLaw, LawQuest and Dentons teamed up with Sol's Arc, India's first parallel school offering special education, to research laws relating to educational concessions for children with disabilities in Maharashtra, India. The pro bono partnership is ongoing, yet Sol's Arc unyielding advocacy efforts have already propelled the Maharashtra government to pass additional concessions for secondary

school exams with plans to extend these concessions to Grade 12. The concessions include increased extra time, grace marks, the selection of alternative subjects and a special curriculum suitable for students with special needs.

- "One of our students, Tanuja, who is diagnosed with Down syndrome, has successfully completed her grade 10 exams last year thanks to the concessions and is now preparing for her Grade 12 exams", shares Sonali Saini, President of Sol's Arc. "She looks forward to completing a course in Bakery and Confectionery and dreams of getting a job in in-flight catering. Stories as such are priceless and what makes this project one where the impact has been tremendous, and that too in such a short amount of time."
- The TrustLaw Awards celebrated high impact, innovative and collaborative projects undertaken by our network in 2016. The sixth annual award ceremony was held in New York on 22 September 2016, featuring a keynote address by Manhattan District Attorney, Cyrus R. Vance, Jr.
- In 2016, TrustLaw ran two Social Enterprise and Impact investing training courses for lawyers in London and San Francisco. The courses covered topics around social enterprises and social finance and attracted 81 attendees from major law firms and banks and had over 30 high level speakers representing key stakeholders, specialist lawyers and Government.
- Wendy Atrokhov, Public Service Counsel, Latham & Watkins - "We could not accomplish what we do globally without our partnership with TrustLaw. TrustLaw provides critical legal services to hundreds of social enterprises, charities and nonprofits, and it enables lawyers to experience the joy and gratification of engaging in pro bono work, in some cases for the very first time."

TRUSTLAW A GLOBAL NETWORK

With staff in nine countries and fluency in 19 languages, the TrustLaw network continues to expand, with new NGOs and social enterprises joining the network. Thanks to the service of thousands of lawyers working pro bono, the organisations are now able to save valuable resources and to focus on their core mission, scaling their impact.



02 WORLD'S UNDER-REPORTED STORIES

Journalism is one of the pillars of the Thomson Reuters Foundation. Every day, we cover the stories that are often overlooked by the mainstream media: slavery and human trafficking, international development, property rights, women's rights, and the human impact of climate change. Combining reporting with an innovative approach to storytelling, our news raises awareness of some of the world's most pressing issues, triggering a debate that often leads to open, fair, prosperous and tolerant societies.

By the end of 2016 we had about 40 correspondents across 5 continents and a growing network of more than 150 freelancers covering unique and original stories globally. We covered stories ranging from the long neglected crime of human trafficking and slavery, the migrant crisis, the battle to escape the cycle of extreme poverty and hunger, and the continued subjugation of women and girls globally. In 2016 we started to focus on the impact that lack of property rights can have on lives globally.

The Foundation's editorial team won four major media awards in 2016, highlighting our ground breaking, unique coverage and innovative multimedia story telling. We won the 2016 Society of Publishers in Asia (SOPA) award for excellence in environmental reporting, the 2016 Ron Kovic Peace Prize for the film "Post-War Machismo: Be A Man", the United Nations Foundation bronze award prize for coverage of humanitarian and development aspects of the UN and UN agencies, and the multimedia/video category of the ILO's Global Media Competition for our multimedia feature "No Country For Young Men". We were runners up in a list of other awards for our coverage of women's issues, climate change, and reportage by Myanmar Now. We also received eight travel grants to further expand our coverage and three media fellowships with our team in regular demand to present and moderate at conferences globally.

This year we revamped our website, news.trust.org substantially increasing the number of people reading our news. We broadened our video distribution network with our films appearing on the NY Times online, the Atlantic, Guardian, TIME, Internazionale Italy, Kenya TV, Atlantic, and TenCent in China.

In 2016:

- The Omidyar Network funded a team of up to 10 journalists to cover property rights over three years to explore the complex social, economic and political effects of inadequate land rights - from environmental sustainability and food insecurity to the potential for conflict and war. This involved setting up a digital platform dedicated to property rights, PLACE.
- Funding from C&A Foundation allowed us to employ two reporters in India dedicated to human trafficking and modern-day slavery.
- We entered the second year of a four year programme funded by a consortium led by DFID for the new climate change website BRACED (Building Resilience and Adaptation to Climate Extremes and Disaster Programmes).
- Our **annual poll**, launched ahead of the Trust Women Conference, was funded this year by Deutsche Bank. We surveyed more than 900 social enterprise experts in the world's 45 largest economies and ranked the best places in the world for social innovation; 85% of those polled said social entrepreneurship is gaining momentum globally; 68% say women are well represented in management within the sector. The world's hotspots for social innovation are: London, Hong Kong, Berlin, Santiago and Nairobi.
- The United Nation's Food and Agriculture Organization (FAO) sponsored us to hire one reporter based in Rome to cover food security.
- We secured funding from the Rockefeller Foundation to set up a team of five journalists covering resilience from 2017 onwards. The project aims to improve resilience to climate change and disasters in some of the most difficult and vulnerable countries in the world, including South Sudan, Myanmar, Niger and Chad.

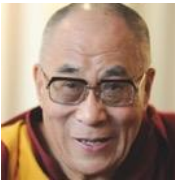
Our stories continued to have wide-ranging impact:

- **Blood Mica: Deaths of child workers in India's mica "ghost" mines covered up to keep industry alive**
Our investigation into illegal mica mining in India found not only was the industry rife with child labour but children were dying in the mines with their deaths covered up as families feared the loss of income should mining stop. Following our three month investigation - which discovered at least seven child deaths - Volkswagen suspended ties with a number of suppliers of the mineral and Jharkhand state conducted raids, arrests, public awareness campaigns and steps to better regulate the mines.
- **Romanian Government steps in to help village swallowed by coal mine**
Our story, *Swallowed by a coalmine, the village that disappeared* about villagers being forced from their homes in a Romanian village for a coal mine expansion prompted a high level group of Romanian cabinet ministers to meet with campaigners from Greenpeace and Bankwatch. They immediately vowed to examine the fact of villagers of Runcurel who faced losing their homes with ministers saying they had not been aware of the situation until our report, picked up in full by several major publications including New York Times.
- **Nigerian schoolgirl kidnapped by Boko Haram offered school place after our story on her plight**
Our story, *Rescued from Boko Haram, one girl hankers for life with militant husband*, about a Nigerian schoolgirl kidnapped by the Boko Haram but rescued, pregnant, by the Nigerian army, received global attention. The girl, Zara John, now 16, was delighted when her family let her keep her child and spoke of her dreams of returning to school. Our story led to the American University of Nigeria (AUN) Academy offering Zara a scholarship at secondary school. Her uncles, who have looked after her since her father died, initially refused to let her go but then her son died from snakebite. She is now at school.
- **Leading shoe companies vow to help home workers**
Our story on home workers making shoes in Ambur, India - *Women workers exploited in India's high end shoe industry, say campaigners* - led to three international shoe brands coming forward to intervene and ensure better conditions for workers.
- **Land rights in Thailand**
Our story, *Four murders and a bloody battle for land rights in Thailand*, was published widely across Asia and prompted reaction from the Thai government. A day after our story ran, an NGO source in the story informed us the Prime Minister's office had set a date to meet with people in the community and our correspondent was invited by the government to southern Thailand to observe meetings between Bangkok officials and members of the community.



IN THEIR OWN WORDS

Our website brings you exclusive interviews, opinion and analysis from world leaders and top decision makers.



The Dalai Lama

Spiritual Leader

"The world is facing many problems. We humans have created all these problems, and it is only we who can solve them through compassion, and from ending all the violence which we have seen in the 20th century. The 21st century has to be the century of peace."



Malala Yousafzai

Nobel Prize Laureate

"Prime ministers and presidents have chosen 'survival' as their theme for refugee discussions this year. Why have they set the bar so low? How long can a refugee girl be out of school before she is forced into an early marriage or child labour? How long should children wait for education? Eighty percent of adolescent refugees are out of school. Yet young refugees are future leaders on whom we will all depend for peace."



Gillian Anderson

Actress and Activist

"Traffickers prey on the vulnerability of their victims and gain from their invisible suffering. Education is at the heart of breaking this cycle and ensuring children don't fall into the hands of traffickers. We all have a part to play in guaranteeing that children are Taught, Not Trafficked."



Anish Kapoor

Award-winning Sculptor

"Slavery comes in many forms but there can be little doubt at all that all slavery curtails inner life. That's the thing we have to protect. Our fragility. The freedom to feel is itself fragile. It requires care, education, protection and above all love. Our fragility is therefore our humanity. We must defend it for ourselves and for each other."



Kailash Satyarthi

Child Rights Activist and Nobel Laureate

"It is a paradox that on one hand the world is progressing so fast. Never before have we been so wealthy. But on the other hand, children are facing hardships never faced before. Children are being enslaved, trafficked, working as child laborers, being used for prostitution. We want to create a strong moral platform to raise a voice which cannot be ignored."

03 MEDIA DEVELOPMENT AND TRAINING

The Foundation fosters the highest standards of journalism around the world, drawing on the expertise and global footprint of Reuters. We believe accurate and independent journalism leads to better informed societies. It holds power to account, strengthens the rule of law, and contributes to economic and social development.

2016 has been a year of innovation for Media Development. We enhanced the approach to Foundation Funded programmes, by focusing on cutting edge topics (reporting modern day slavery and human trafficking, taboos, the governance of aid, investigative sports journalism) and mentoring journalists.

We trained 700 journalists last year and developed new courses to respond to the needs of reporters on the ground. Two programmes in particular stand out: Following International Aid Money (held in Nairobi) and Sports Investigative Journalism in South America ahead of the Rio 2016 Olympics. Both were well received and led to the publication of good stories that were picked up by international media.

We also launched our Tomorrow's News programme, helping newsrooms in the developing world to make the most of digital media on a tight budget. We engaged senior figures from 16 African and Asian news outlets in an intensive workshop, and provided in-house training for at least four of these. In one Kenyan newsroom, they reported a trebling in the hits on their online stories after applying our guidance on headline writing. Finally, we tuned our mentoring process whereby trainees receive ongoing support from senior journalists.

Key Programmes

- **Investigating "dirty money"** – The programme engaged with 200 journalists from 35 African countries in a scheme that helps them report on the abuse of tax laws; worked with a group of journalists in Liberia to improve their reporting of oil; and supported 10 newsrooms in Uganda and Tanzania to investigate oil and gas. Among the 400 stories that the program assisted with, some have achieved great profile and impact. In Zambia, a radio story about timber smuggling gave one community the information they needed to challenge a decision to allow a timber company to operate in the area. The decision was then reversed. In Botswana, one journalist was highly commended by the CNN African Journalist of the Year Awards 2016, for his investigation on a safari company avoiding tax.
- **Reporting politics and economics across the Balkans** - The project trained 16 journalists from across the Balkans as well as Greece and Turkey. Participants received 4 weeks of training in London and Berlin and took part in an event – a Research Café, where the journalists met with thought leaders on a particular topic, in this instance migration. In 2016 Bosch Foundation, who have funded the programme for 10 years, commissioned an independent evaluation. The findings were overwhelmingly positive, with journalists stating how the programme had changed their careers.
- **Cross-border reporting in the Russian speaking world** – Participants attended two shorter sessions either side of a major news event (in this case Russian elections) to increase sustainability and participated in cross-border projects. One story covered the plight of thousands of illiterate Uzbek women living in Kyrgyzstan effectively became stateless when the Soviet Union collapsed. The journalists produced a 15 minute film that was picked up by Reuters and BBC.
- **Breaking the silence around taboos** – Abortion, mental health, sexual abuse in sport. In every society there are issues that citizens tend not to discuss or avoid altogether. But those issues can affect millions of people, including the most vulnerable. To tackle this, we developed our 'Reporting Taboos' programme, to help journalists around the world produce accurate, impartial coverage that brings taboo subjects into the open. With our assistance, one reporter from Botswana produced a piece on intersex people, while another in Nicaragua revealed how women are frequently locked out of land ownership by their fathers and husbands – the story was distributed via Reuters news wire, reaching an estimated readership of **1 billion people**.

- **Reporting Rural Development** – The Foundation gave journalists from around the world the opportunity to report from the International Fund for Agricultural Development’s Governing Council, a high level meeting for delegates and politicians in Rome.
- **Improving the coverage of resilience and urban development** - In 2016 ahead of the UN Habitat III conference in Quito in October 2016, we were funded by the Rockefeller Foundation to implement a specialized journalism training programme aimed at improving the coverage of resilience and urban development news across Africa and Asia. Training courses were organised in Thailand and Kenya, helping journalists understand the interrelation between all the 17 UN Sustainable Development Goals. Journalists were also asked to submit story ideas. The 10 journalists with the best pitches were then registered to attend Habitat III and provided with mentoring and further training. As a result, nearly 100 original, high-quality articles were published or broadcast.
- **Supporting independent newsrooms** – The Foundation continued to support **Aswat Masriya**, an independent Egyptian company since 2015 and **Myanmar Now** providers of independent and quality news in Myanmar.

Commercial Activities

We bring innovative training solutions to companies, governments and organisations around world. Our courses are designed to make immediate impact thanks to an interactive approach which offers fresh case studies and allows for instant feedback. All proceedings from our commercial training activities fund our core philanthropic work.

This year, we unveiled a brand new training directory, delivering courses in more locations than ever. We now offer over 100 courses divided between seven skills areas: Communications; Strategic Communications; Presentation Specialist Areas; Media & Journalism; Writing; Copywriting; Digital & Marketing.

In 2016 we trained 1500 Thomson Reuters employees offering more than a hundred courses including marketing, social media and strategic communications – all available through workshops and e-learning.

We were contracted by the US Embassy in Morocco to train 100 journalists all around the country. For the first time, we worked in Papua New Guinea, delivering a course on development reporting for UNDP. We also returned to Vienna at the request of the IMF (business news) and Kuwait (newsroom management) and started working with UNICEF India on a health reporting programme.



REUTERS/Pawel Kopczynski

THE REUTERS INSTITUTE FOR THE STUDY OF JOURNALISM AT THE UNIVERSITY OF OXFORD (RISJ)

The Reuters Institute for the Study of Journalism (RISJ) is a research centre for international comparative journalism. Set up in 2006 as part of the Department of Politics and International Relations at the University of Oxford, the RISJ provides an independent forum for journalists and scholars worldwide. With a long-standing history, a prestigious advisory board, and a growing number of international fellows, the Reuters Institute for the Study of Journalism is a centre of excellence for academic research on the future of journalism worldwide.

2016 saw the Digital News Report expand to become the Digital News Project. A larger team of researchers explored digital developments across 26 countries and, in June, the Reuters Institute released eight industry-focused reports, alongside its flagship Digital News Report. The Digital News Project is the biggest international research project examining cross-national developments in journalism and news media, combining the annual Reuters Institute Digital News Report with a range of additional publications looking at journalistic innovation and news media strategy across the world.

“We know for a fact that the same technological trends have different implications in different countries. The Digital News Project is aimed at understanding these differences better, and at helping journalists and media decision-makers navigating a rapidly-changing environment.”

- **Rasmus Kleis Nielsen**, *RISJ Director of Research*

In April 2016, the Reuters Institute gathered news industry leaders from 14 countries to share their ideas and experience in regards to how their organisations are confronting the key challenges of digital transformation. The forum brought together a dozen established publishers and two digital brands. The group was joined by Alan Rusbridger, former Editor in Chief of the Guardian and Chair of the Reuters Institute Steering Committee. Issues covered included approaches to dealing with digital intermediaries, the use of online metrics in the newsroom, and leadership priorities for innovation in the media.



REUTERS/Paulo Whitaker

04 TRUST WOMEN

Trust Women is a fast-growing movement committed to finding real solutions to empower women and to fight slavery worldwide. The Foundation's biggest annual event is attended by leaders of global corporations, law firms, government, pioneers and front line activists in the field of women's rights and anti-slavery. The 2016 annual conference brought together **700 global leaders from 60 countries** including Brazil, Australia, China, India, Kyrgyzstan and Switzerland. The two-day event reached 65 million people worldwide through extensive media coverage and highly interactive social media engagement.

"I want to reiterate how impressed I was with the quality and substance of your conference. You have built an amazing network and coalition." - **Cyrus R. Vance Jr, New York County District Attorney**

"I probably speak at 100 conferences a year, and none fill me with as much joy as yours. The sheer professionalism of your team combined with the vast array of informed speakers and challenging subject matters leaves me in awe."

- **Nazir Afzal OBE, Chief Executive, Police and Crime Commissioners, England & Wales**

"I was very impressed with the subject matter. I especially appreciated the panels on taboo and radicalization both of which are difficult and current problems not unrelated to Trafficking. Dealing with these issues is always easier when we acknowledge them and drag them into the open at forums such as yours."

- **Michael Moran, Assistant Director, Organised and Emerging Crime/Vulnerable Communities Office, Interpol**



Real Solutions, Real Impact

Trust Women delegates commit to taking concrete action to fight modern-day slavery and empower women worldwide. During the conference in 2016, anti-trafficking campaigners, human rights activists, top law firms, industry leaders, business and technology entrepreneurs and women's rights advocates pledged their time, resources and expertise to a number of high-impact initiatives. These included:

- **Fighting Online Sex Trafficking** - Proposed by charity Legal Momentum, the campaign aims to shut down the adult services section of online bulletin boards in the US through legal means, as well as creating metrics for online safety and building a social movement to put pressure on policymakers and business leaders to end the online abuse of women and children.
- **Prevention and Rehabilitation of Radicalised Children in Pakistan** - The war in North West Pakistan has devastated the country and made thousands of young people vulnerable to radicalisation by violent extremists. SWAT for Pakistan committed to scale its existing schools programme to prevent the exploitation and radicalization of children through education.

THE STOP SLAVERY AWARD – PUBLIC RECOGNITION FOR THE CORPORATE FIGHT AGAINST SLAVERY

Engaging New Audiences

This year, the Foundation joined forces with YouTube for Good – the charity arm of the world’s biggest video sharing platform to give young people the opportunity to use their YouTube channels to explore some of the themes tackled at Trust Women and to present them to their respective audiences around the world. 13 vloggers from the US, UK, Germany, Jordan, Romania and South Africa joined our #Ichoosetosee campaign, producing highly engaging videos and discussing how issues such as modern-day slavery, social taboos and the refugee crisis affect their lives. The vloggers then joined us at Trust Women, so they could meet and speak to global decision makers and share that experience with their audiences, typically millennials.



Engaging New Enterprise

On July 14 2016, we hosted Foundation Day, an international engagement event showcasing our work and impact to Thomson Reuters’ employees around the world. We hosted engagement tables in offices in London, New York, Eagan, Bangkok, and Mumbai. In addition, we live-streamed a town hall led by Monique Villa on the company’s intranet reaching over 10,000 Thomson Reuters employees online globally.

During Foundation Day, we kicked off the Foundation Ambassador Challenge, an initiative offering all 60,000 Thomson Reuters employees an opportunity to get directly involved with our work. Employees were challenged to use their skills to raise awareness of the Foundation and fundraise in their regions. The response was overwhelming: over 100 applications from offices around the world poured in. 10 Ambassadors were shortlisted to compete over a six week period. Some of the employees-led events ranged from cross-country cycles, to silent auctions, movie nights, raffles, fun runs and bake sales. \$20K was raised to support the Trust Women Scholarship Scheme.

Manila-based Emmanuele Marie Parra is the 2016 Thomson Reuters Foundation Ambassador. Emmanuele proved her ability to mobilise colleagues and create excitement about the Foundation by organising multiple events, including a Thomson Reuters Foundation benefit concert and an awareness session with TrustLaw member Visayan Forum Foundation. Through all these initiatives, Emmanuelle and her team raised over 115,000 pesos (approx. \$2,500) for the Trust Women conference scholarship fund and reached 6,500 people both within her office and through social media.

FINANCIAL REVIEW

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

The Trustees are pleased to note that in 2016 income increased by approximately 18% to £11,203k (2015: £9,469k).

The Foundation continued to receive £4,181k principal donation from Thomson Reuters Group (2015: £4,140k) and grew funding from government agencies, institutions, corporate partners and individuals to £4,559k (2015: £2,934k) formed of donations amounting to £100k (2015: £30k), charitable activities income amounting to £3,614k (2015: £2,330k), income from other trading activities amounting to £845k (2015: £570k).

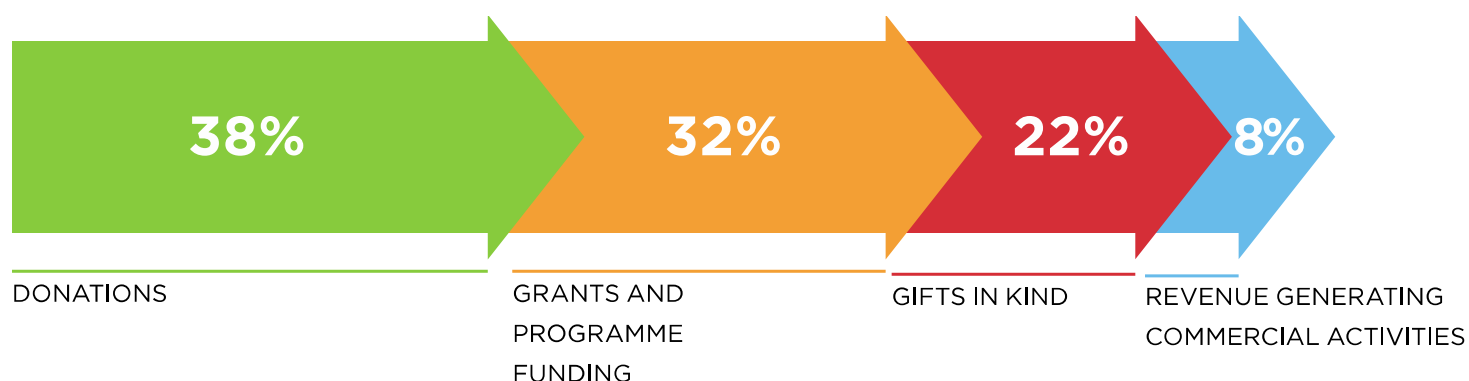
The charities wholly owned trading subsidiary Reuters Foundation Consultant Ltd (RFCL) generated a profit of £374k in 2016 (2015: £677k) all of which was gift aided to the Foundation.

The Foundation is grateful to Thomson Reuters Group, our partners and supporters for the Gifts in Kind received in 2016 which included office space, advertising, and professional services amounting to £2,460k (2015: £2,395k).

The Trustees understand that our principal donation from the Thomson Reuters Group will be increased to £4.5m from 2017. The Trustees are thankful to the Thomson Reuters Group for their continuing support. The Foundation is also expected to continue to generate a larger proportion of funds from institutional and government funding and commercial income, to meet its growth strategy in 2017.

Where our funds came from in 2016 (Including Gifts In Kind):

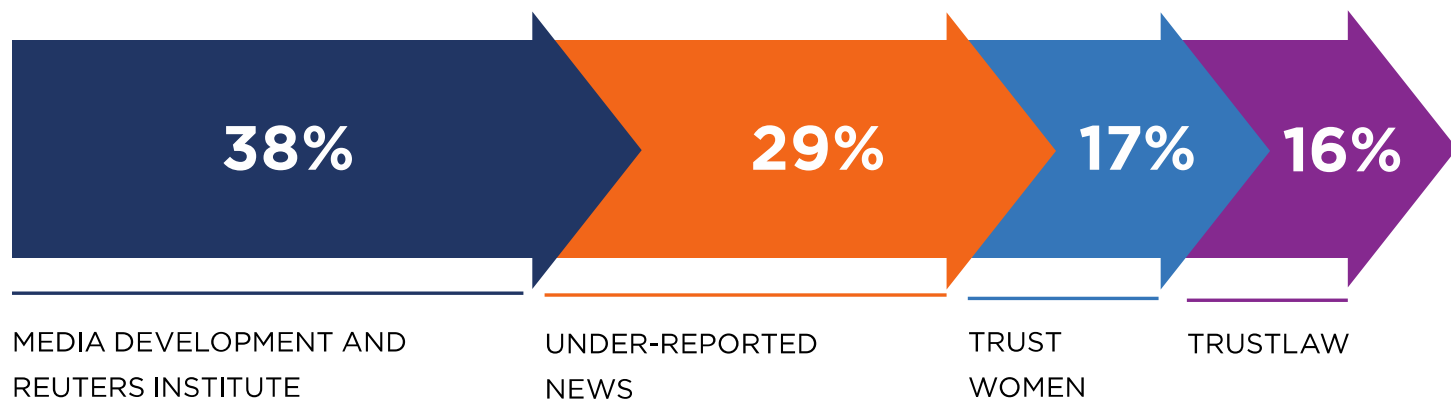
---> Income



Net outgoing expenditure in 2016 was £10,943k (2015: £9,832k). This matches the increase in incoming resources for charitable activities in year.

Breakdown of our work by Core Programmes in 2016 (Including Gifts In Kind):

---> Expenditure



Cash balances increased in 2016 by approximately £1.2m to £3,240k. The increase in cash is principally due to the advanced receipt of donor funds, and is offset by deferred income

In 2016 income exceeded expenditure by £264k unlike prior year where expenditure had exceeded income by £364k. Total reserves increased to £1,531k (2015: £1,267k), made up of: unrestricted general fund of £684k (2015: £428k), which is in line with the Foundations reserve policy limits; restricted funds of £253k (2015: £220k); and endowment funds of £594k (2015: £619k).

Reserves policy and going concern

The Trustees reviewed the Foundation's reserves policy at the 2 December 2016 Board Meeting. The purpose of unrestricted reserves is to ensure that the organisation can operate in times of income fluctuations or where expenditure on charitable activities could not or should not be scaled back in the short to medium term. At the same time, our policy is designed to ensure that we do not retain income for longer than is required.

The Trustees consider that the ideal level of reserves as at 31 December 2016 would be maintaining net free reserves of one month's average operational expenditure, this amounted to £381k in 2016 (2015:£321k). On the 31 December 2016 total free reserves amounted to £684k. The Trustees are aware of a growing risk from the changing external environment and will monitor the free reserves balance such that the level of reserves and associated cash balances remain sufficient for the Foundation to operate on a sustainable basis for the foreseeable future.

The Trustees have reviewed the strategic plan of the Group for 2015-2017 and consider that adequate resources continue to be available to fund the activities of the group for the foreseeable future. The Trustees are of the view that the Foundation and group are a going concern.

PLANS FOR FUTURE PERIODS

The Foundation acts as a "multiplier", delivering impact many times the input. Delivering Scale and Impact whilst maintain our commitment to quality is the key focus of our strategy and to do that in 2017 we will:

TrustLaw

- Continue to grow our membership in new and existing jurisdictions by 400 in 2017 from 3,600 organisations to 4,000.
- Improve TrustLaw offer to members by introducing free legal assistance to the victims of trafficking and possibly to refugees (subject to funding availability for a TrustLaw Litigation Hub).

Worlds Under-reported News

- Provide groundbreaking coverage of humanitarian news, with focus particularly on land and property rights, slavery, women's rights, resilience, climate, food and hunger.
- Deliver and build on success of Omidyar Network funded Land and Property Rights project, Rockefeller foundation funded resilience project and FAO funded food and hunger news project.
- Launch (subject to external funding availability) dedicated news coverage for LGBT rights
- Publish a new poll, drawing global attention to a key human rights issue

Media Development & Training

- Increase grant and contract funding for the Foundation's programmes from £2.3m in 2016 to £3.2m in 2017.
- Increase our corporate training offer and the number of corporate clients

Trust Women

- In 2017 rebrand Trust Women into Trust Conference, the world's most authoritative forum on human trafficking, anti slavery and women's rights.
- Deliver the first Trust Conference in the US, strengthening the global value of Trust Conference.
- In 2017 increase the Trust Conferences global reach by social media from 65m to 100m



REUTERS/Paulo Whitaker

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Thomson Reuters Foundation (The Foundation) is a company limited by guarantee governed by its Memorandum and Articles of Association dated 15 December 2009. It is registered as a charity with the Charity Commission.

Objects

The Thomson Reuters Foundation has been established with broad objects, which enables the Foundation to undertake purposes which are exclusively charitable according to the laws of England and Wales. The Trustees have decided to focus on programmes of humanitarian, legal and educational purposes. The Foundation is partially funded by Thomson Reuters, and its work reflects the values and concerns of the company and its employees. The Foundation focuses in particular on areas where the company's skills and expertise in information gathering and communications can be put to use in ways which benefits the communities in which it works worldwide. In shaping the objectives for the year and planning the activities the Trustees have considered the Charity Commission's guidance on public benefit and consider that the Foundation is compliant.

Appointment of Trustees

As set out in the Articles of Association the Board of directors must consist of not less than three nor more than twenty persons elected by individual and corporate members, at least a third of whom will be nominated by the Founder (Thomson Reuters Group): no members shall be elected unless they receive 25% of all votes of those present and voting at general meeting.

Organisation

The Board of Trustees, which can have up to 20 members, administers the Foundation. The board normally meets three times a year. A Chief Executive is appointed by the Trustees to manage the day-to-day operations of the Foundation. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance, and operational activity to the senior management team.

Related parties and co-operation with other organisations

None of our Trustees receive remuneration or other benefit from their work with the Foundation. Any connection between a Trustee and senior manager of the Foundation must be disclosed to the full board of Trustees in the same way as any other contractual relationship with a related party. In the current year no such related party transactions were reported. The Foundation's wholly owned subsidiary, RFCL was established to operate the trading activities of the Foundation. The Foundation currently receives a grant of £4m from the Thomson Reuters Group by way of funding each calendar year. In 2016 the Thomson Reuters Group renewed the grant for a further three years to £4.5m.

Pay policy for senior staff

The Foundation's Trustees consider the senior management team to be comprised of key personnel of the Foundation in charge of directing, controlling, running and operating the Foundation on a day-to-day basis. The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings.

All Trustees give of their time freely and received no remuneration in the year.

Risk management

The Trustees are responsible for ensuring that there are effective and adequate risk management and internal control systems in place to manage the key risks to which the Foundation is exposed. It discharges this responsibility through its review of the effectiveness of the Foundation's risk management framework designed to support informed decision-making regarding the risks that affect its performance and its ability to achieve its objectives. It also provides for a consistent approach to identifying, assessing and dealing with the key risks. It should be noted that the framework is designed to manage, rather than to eliminate, the risks to the Foundation's objectives and to provide reasonable, but not absolute, assurance against material misstatement or loss. Processes in place regarding risk management comprise:

- an annual review of the principal risks and uncertainties that the Foundation and its subsidiary RFCL face;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the Foundation should those risks materialise.

The following have been identified as the key risks for the Foundation in 2016:

| Risk | Mitigation |
|--|--|
| Inability to raise or maintain levels of financial sustainability to support all programmes and operations | <p>3 year funding agreement signed with Thomson Reuters Group for £4.5m a year from 2017 on a rolling basis.</p> <p>Diversify sources of external funding – This has resulted in two new grants worth £1.1m (for 2017-2018).</p> <p>Robust financial planning, control of currencies, budgeting and monitoring of actual expenditure.</p> |
| Reputational - Inaccurate or inappropriate content is published or distributed on the wire, resulting in legal action or reputational damage | <p>All stories are reviewed by Editors. In addition, the Editor in Chief and Legal review stories on matters such as corruption and trafficking. Legal advice is sourced centrally.</p> <p>All Editorial staff and freelancers read and acknowledge Reuters code of business conduct and ethics, read the Foundation Ethics Handbook and Reuters Handbook of Journalism. This is maintained and managed through Salesforce.</p> <p>The Foundation is covered by Thomson Reuters Group's Errors and Omissions Insurance Cover (incl libel and slander, misstatement).</p> |
| Operational - Capacity of our financial and monitoring systems to comply with contractual requirements | <p>New grant management function set up in the organisation to support operational teams.</p> <p>New processes developed in the organisation to ensure rigorous monitoring and compliance with contracts and budget management.</p> |

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Thomson Reuters Foundation for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report) and the financial statements in accordance with applicable law and regulation.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 Statement of Recommended Practice: Accounting and Reporting by Charities (2015);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of 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.

In the case of each director in office at the date the directors' report is approved, that:

- (a) so far as the trustee is aware, there is no relevant audit information of which the company's auditors are unaware; and
(b) he has taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the Board of Trustees



David Binet, Chairman
27 March 2017

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THOMSON REUTERS FOUNDATION

Report on the financial statements

Our opinion

In our opinion, Thomson Reuters Foundation's Group financial statements and parent charitable company financial statements (the "financial statements"):

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 December 2016 and of the Group's incoming resources and application of resources, including its income and expenditure and of the Group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Annual Report and Accounts (the "Annual Report"), comprise:

- the Group and parent charitable company balance sheets as at 31 December 2016;
- the consolidated statement of financial activities (incorporating an income and expenditure account) for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the Trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, including the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Trustees' Report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Trustees' Report. We have nothing to report in this respect.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Trustees' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of Trustees' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the charity's members and Trustees as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Group's and the parent charitable company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the Trustees; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the Trustees' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report. With respect to the Strategic Report and Trustees' Report, we consider whether those reports include the disclosures required by applicable legal requirements.



Nicholas Smith (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

28 March 2017

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2016

| | Note | Unrestricted Funds £000's | Endowment Funds £000's | Restricted Funds £000's | Total Funds 2016 £000's | Total Funds 2015 £000's |
|---|------|---------------------------------|------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Income and endowments from: | | | | | | |
| Donations | 2 | 6,741 | - | - | 6,741 | 6,565 |
| Charitable activities | 3 | 600 | - | 3,014 | 3,614 | 2,330 |
| Other trading activities | 4 | 845 | - | - | 845 | 570 |
| Investments | 5 | - | - | 3 | 3 | 4 |
| Total Income | | 8,186 | - | 3,017 | 11,203 | 9,469 |
| Expenditure on: | | | | | | |
| Raising funds | 6 | 230 | - | - | 230 | 336 |
| Charitable activities | 7 | 7,700 | 25 | 2,988 | 10,713 | 9,496 |
| Total expenditure | | 7,930 | 25 | 2,988 | 10,943 | 9,832 |
| Net gains/(loss) on investment | 13 | - | - | 4 | 4 | (1) |
| Net expenditure and net movement in funds for the year | | 256 | (25) | 33 | 264 | (364) |
| Reconciliation of funds | | | | | | |
| Total funds brought forward at 1 January | 18 | 428 | 619 | 220 | 1,267 | 1,631 |
| Total funds carried forward | 18 | 684 | 594 | 253 | 1,531 | 1,267 |

All gains and losses arising in the year are included in the Statement of Financial Activities (SOFA), and arise from continuing operations. There is no difference between the net income for the year and its historical cost equivalents.

BALANCE SHEETS

AS AT 31 DECEMBER 2016

| | Note | Group 2016 £000's | Group 2015 £000's | Charity 2016 £000's | Charity 2015 £000's |
|--|------|-------------------------|-------------------------|---------------------------|---------------------------|
| Fixed Assets | | | | | |
| Tangible assets | 12 | 32 | 33 | 32 | 33 |
| Investments | 13 | 74 | 70 | 224 | 220 |
| Total Fixed Assets | | 106 | 103 | 256 | 253 |
| Current Assets | | | | | |
| Debtors: Amounts falling due after more than one year | 14 | 820 | 820 | 820 | 820 |
| Debtors: Amounts falling due within one year | 15 | 1,441 | 1,831 | 1,500 | 2,106 |
| Cash at bank and in hand | | 3,240 | 2,032 | 2,717 | 1,528 |
| Total Current Assets | | 5,501 | 4,683 | 5,037 | 4,454 |
| Creditors: Amounts falling due within one year | 16 | (3,256) | (2,699) | (2,942) | (2,620) |
| Net Current Assets | | 2,244 | 1,984 | 2,095 | 1,834 |
| Total assets less current liabilities | | 2,351 | 2,087 | 2,351 | 2,087 |
| Creditors: Amounts falling due after more than one year | 17 | (820) | (820) | (820) | (820) |
| Net Assets | 19 | 1,531 | 1,267 | 1,531 | 1,267 |
| Funds | | | | | |
| Restricted income funds | 18 | 253 | 220 | 253 | 220 |
| Endowment | 18 | 594 | 619 | 594 | 619 |
| Unrestricted income funds - General | 18 | 684 | 428 | 684 | 428 |
| Total Funds | | 1,531 | 1,267 | 1,531 | 1,267 |

The notes at pages 27 to 44 form part of these financial statements.

The financial statements were approved by the Board of Trustees on 27th March 2017 and signed on its behalf by:

David Binet, Chairman

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2016

| | Note | 2016 £000 | 2015 £000 |
|---|------|--------------|--------------|
| Cash flows from operating activities: | | | |
| Net cash generated from operating activities | 20 | 1,227 | 789 |
| Cash flows from investing activities: | | | |
| Dividends, interest and rents from investments | | 3 | 4 |
| Purchase of property, plant and equipment | | (22) | (26) |
| Net cash generated from investing activities | | (19) | (22) |
| Increase in cash and cash equivalents in the year | | 1,208 | 767 |
| Cash and cash equivalents at the beginning of the year | | 2,032 | 1,265 |
| Total cash and cash equivalents at the end of the year | | 3,240 | 2,032 |

NOTES

01 Accounting Policies

(a) Basis of preparation

The consolidated financial statements have been prepared in accordance with the 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.

(b) Preparation of the accounts on a going concern basis

The consolidated financial statements are prepared under the historical cost convention, on a going concern basis. The Foundation reported a cash inflow of £1,208k (2015: £767k inflow) for the year end on a going concern basis.

Trustees are of the view that the Foundation is a going concern having secured;

- Principal donation of £4,500k from the Thomson Reuters Group on a three year rolling basis starting in 2017.
- Gifts in Kind of approximately £2,000k for services from the Thomson Reuters Group for the next 36 months

In addition the Foundation has robust processes to budget and monitor operating costs.

The Trustees remain in regular contact with their principal donor to secure their ongoing financial and services support.

(c) Group financial statements

The financial statements consolidate the financial statements of the Foundation and its subsidiary, Reuters Foundation Consultants Limited (RFCL). A separate statement of financial activities and income and expenditure account is not presented for the Foundation itself following the exemptions afforded by section 408 of the Companies Act 2006. The net result of the Foundation for the year was a surplus £264k (2015: deficit £364k).

The Foundation has taken the advantage of the exemption from preparing the cash flow statement under FRS 102. The cash flows of the charity are included in the consolidated financial statements.

(d) Income

Income from charitable activities (grants) are recognised in income when there is entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably. Donation income is recognised in full when it is probable that the income will be received and the amount can be measured reliably.

The annual grant from the Thomson Reuters Group is unconditional and therefore reflected as unrestricted income. However, where donors specify that donations and grants are for particular restricted purposes this income is included in incoming resources as restricted funds.

Income from other trading activities are those that are carried out outside of the Foundation's direct charitable activities, in order to generate incoming resources to help support those activities. Income from commercial trading activities is recognised as earned as the related services and goods are provided.

Income is deferred when income from courses is received prior to a course being run.

(e) Donated services and facilities

Donated professional services and donated facilities (Gift in Kind) are recognised as income when the Foundation 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 Foundation of the item is probable and that economic benefit can be measured reliably.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Foundation which is the amount the Foundation 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) Expenditure

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:

Costs of raising funds comprise of the costs of commercial courses such as effective writing and presentation tool kit, and Trust Women Conference sponsorship and their associated support costs.

Expenditure on charitable activities includes the cost of providing free legal assistance to NGOs and social enterprises, media development and training and reporting on the worlds under reported stories undertaken to further the purposes of the Foundation and their associated support costs.

Other expenditure represents those items not falling into any other heading.

Grants payable are included in the SOFA at the date that each grant is approved and all the conditions attached to it have been met. Multi-year grants are recognised in full where commitments have been made, conditions have been met and there is a high likelihood that the payments will be made.

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

Support costs are those costs common to all areas of activity, including premises costs and office administration expenses. These costs are apportioned to the core areas of activity in proportion to the direct costs of each activity. The bases on which support costs have been allocated are set out in note 9.

(g) Foreign currency translation

The financial statements are expressed in sterling on the following basis:

- a) Monetary assets and liabilities denominated in a foreign currency are translated into sterling at the foreign exchange rates ruling at the balance sheet date.
- b) Revenue and expenses in foreign currencies are recorded in sterling at the rates ruling for the day of the transactions.
- c) Any gains or losses arising on translation are included in the SOFA.

(h) Pension and similar obligations

The expected cost of pensions, through Thomson Reuters Retirement Plan (TRRP) and Reuters Pension Fund (RPF), and other post-retirement benefits are charged in the SOFA. TRRP is a defined contribution scheme and RPF is a defined benefit scheme. It is not possible to identify the Foundation's share of assets and liabilities in the RPF scheme and therefore they are accounted for as a multi employer scheme as defined in FRS 102. Costs for the year are disclosed in note 10. Details of the pension schemes can be found in the financial statements of the Thomson Reuters Group. There is no liability that needs to be accrued in relation to deficit contributions into the scheme.

(i) Tangible fixed assets and depreciation

Fixed assets are included at cost less depreciation. Depreciation is calculated and charged on a straight-line basis to write down the assets to their residual values over their useful expected lives (UEL). For office equipment, the single

asset class, UEL is set as 3 years. Software costs are not capitalised unless the software forms part of the PC operating system. Other equipment is capitalised if the purchase price is over \$1,000. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realizable value and value in use.

(j) Investment in subsidiaries

The investment in Reuters Foundation Consultants Limited (RFCL), a trading subsidiary, is held at cost less any impairment in value.

(k) Liability of members

The liability of each member is limited to £1 being the amount that each member agrees to contribute to the assets of the Foundation in the event of its being wound up while he is a member or within one year of him/her ceasing to be a member.

(l) Investments

Investments in the balance sheet are shown at their market value. Gains and losses arising on the revaluation are included in the SOFA.

(m) Funds

Three types of funds are maintained:

Restricted - where the purpose for which the fund may be used has been restricted by the donor;

Unrestricted - where the fund is not restricted as to use;

Megalli Endowment - where the fund represents amounts for which the capital must be retained and invested except where conditions below apply. The terms of the legacy allows no more than the greater of (i) all net income of the Endowment or (ii) an annual amount equal to 5% of the annual net fair value of the Endowment will be expended for the following purpose; fund one fellowship place per year at the Reuters Institute for the study of Journalism at Oxford University for an Arabic speaking journalist.

(n) Realised gains and losses

All gains and losses are taken to the SOFA as they arise.

(o) Tax accounting policy

The Foundation is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the Foundation's primary objectives, if these profits and surpluses are applied solely for charitable purposes. The trading subsidiary does not generally pay UK corporation tax because their policy is to pay taxable profits to the Foundation as Gift Aid.

(p) Significant account judgments and estimates

Management is required to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. These estimates and assumptions are based on historical information and other factors which management consider reasonable. The accounts affected by these are accruals and revenue recognition.

02 Donations

Donation and legacies income is made up as follows:

| | Unrestricted £000's | Endowment £000's | Restricted £000's | 2016 £000's | 2015 £000's |
|--------------------------------------|------------------------|---------------------|----------------------|----------------|----------------|
| Donations from Thomson Reuters Group | 4,181 | - | - | 4,181 | 4,140 |
| Gifts in Kind | 2,460 | - | - | 2,460 | 2,395 |
| Other donations | 100 | - | - | 100 | 30 |
| Total | 6,741 | - | - | 6,741 | 6,565 |

Gifts in Kind:

Gift in kinds represent the estimated cost of services donated to the group, at the value at which the Foundation would have paid.

These amounts are included as costs in the appropriate expenditure category and consist of:

| | 2016 £000's | 2015 £000's |
|--|----------------|----------------|
| Office and occupation costs | 1,136 | 1,051 |
| Advertising | 612 | 755 |
| Staff related | 185 | 315 |
| Licenses | 464 | 210 |
| Professional fees (includes £5k relating to tax fees from PwC) | 18 | 30 |
| Audit fees | 45 | 30 |
| Other | - | 4 |
| | 2,460 | 2,395 |

03 Charitable activities income

| | Unrestricted £000's | Restricted £000's | 2016 Total £000's | 2015 Total £000's |
|--|------------------------|----------------------|-------------------------|-------------------------|
| Income from journalism training and programmes | 449 | 3,014 | 3,463 | 2,209 |
| Income from Trust Women Conference | 151 | - | 151 | 121 |
| | 600 | 3,014 | 3,614 | 2,330 |

Incoming resources from charitable activities are a mixture of grants £2,694k (2015: £1,266k) received by the Charity Thomson Reuters Foundation and contracts for services which result in charitable objectives being met £920k (2015 £1,064k) received by the trading subsidiary Reuters Foundation Consultants Limited, both of which represent the core activities within the charitable objects.

Charitable activities income from the Trust Women Conference relates to sales of tickets to the conference and scholarship funds raised to assist scholars attend the conference.

Profits generated in Reuters Foundation Consultants Limited are distributed to Thomson Reuters Foundation and used to further support the Foundation's activities.

04 Other trading activities

| | Unrestricted £000's | Restricted £000's | 2016 Total £000's | 2015 Total £000's |
|------------------------------------|------------------------|----------------------|-------------------------|-------------------------|
| Commercial courses | 486 | - | 486 | 418 |
| Trust Women Conference sponsorship | 359 | - | 359 | 152 |
| | 845 | - | 845 | 570 |

Income from Trust Women Conference sponsorship relates to trading activity as formal agreements for the promotion of the sponsor's brand and activity during the conference is made between Reuters Foundation Consultants Limited and each sponsor. This service does not represent one of the core activities within the charitable objects.

Profits generated in Reuters Foundation Consultants Limited are distributed to Thomson Reuters Foundation and used to further support the Foundation's activities.

05 Investments

| | Unrestricted £000's | Restricted £000's | 2016 Total £000's | 2015 Total £000's |
|--|------------------------|----------------------|-------------------------|-------------------------|
| Interest and dividends - UK investment funds | - | 3 | 3 | 4 |
| | - | 3 | 3 | 4 |

06 Raising funds

In 2016 £230k (2015: £336k) was spent on running commercial journalism training for clients, including £46k (2015: £79k) direct costs of running the course in Reuters Foundation Consultants Ltd and £173k (2015: £105k) of allocations of support and staff costs from the Thomson Reuters Foundation.

07 Charitable activities

Costs of activities in furtherance of the Foundation's objects

| | Activities undertaken directly £000's | Grant funding of activities £000's | Support Costs £000's | 2016 Total Costs £000's | 2015 Total Costs £000's |
|--------------------------------|--|---|----------------------------|----------------------------------|----------------------------------|
| TrustLaw | 1,351 | - | 327 | 1,678 | 1,659 |
| World's under-reported stories | 2,520 | - | 608 | 3,128 | 2,098 |
| Media development and training | 2,860 | 415 | 808 | 4,083 | 4,112 |
| Trust Women | 1,515 | - | 309 | 1,824 | 1,627 |
| | 8,246 | 415 | 2,052 | 10,713 | 9,496 |
| | | (note 8) | (note 9) | | |

Gross expenditure in the year is stated after charging:

| | 2016 £000's | 2015 £000's |
|---------------------------|----------------|----------------|
| Depreciation | 23 | 21 |
| Audit fees (Gift in Kind) | 45 | 30 |
| Tax fees (Gift in Kind) | 5 | 0 |

08 Grants payable

| Grant commitments | Total £000's | 2016 £000's | 2017 £000's | 2018 £000's |
|-----------------------------|-----------------|----------------|----------------|----------------|
| Balance at 1 January 2016 | 1,230 | 410 | 410 | 410 |
| Movements in the year: | | | | |
| Awards in the year | 415 | 415 | - | - |
| Payments in the year | (415) | (415) | - | - |
| Balance at 31 December 2016 | 1,230 | 410 | 410 | 410 |

Individual grants

Grants awarded in 2016 are listed below.

Journalism and fellowships

Grants awarded in this category amounted to £410k (2015: £410k)

| | 2016 £000's | 2015 £000's |
|--|----------------|----------------|
| The Reuters Institute for the Study of Journalism at the University of Oxford (RISJ) | 410 | 410 |

The RISJ grant expenditure reflects the grant commitment for 2019 (2015: reflects grant commitment for 2018).

Education

Grants and expenditure awarded in this category amounted to £5k (2015: £5k)

| | 2016 £000's | 2015 £000's |
|-----------------------------|----------------|----------------|
| Hagio Prize | 5 | 5 |
| Total grants awarded | 415 | 415 |

09 Support costs

| | Costs of generating funds | Charitable activities | 2016 Total | 2015 Total |
|---------------------------------|---------------------------------|--------------------------|---------------|---------------|
| | £000's | £000's | £000's | £000's |
| Staff costs | 25 | 1,117 | 1,142 | 1,156 |
| Office and administration costs | 21 | 935 | 956 | 1,392 |
| Total | 46 | 2,052 | 2,098 | 2,548 |

Included in office and administration costs are depreciation costs of £23k (2015: £21k).

Support costs are allocated to raising funds and to charitable activities in proportion to direct costs as the two are considered to be closely correlated.

10 Staff costs and emoluments

Group and Charity

| | Total 2016 £000's | Total 2015 £000's |
|-----------------------|-------------------------|-------------------------|
| Wages and salaries | 3,732 | 3,595 |
| Social security costs | 387 | 388 |
| Other pension costs | 212 | 214 |
| Other staff costs | 260 | 311 |
| Temporary staff | 261 | 174 |
| Total | 4,852 | 4,682 |

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

| | 2016 No. | 2015 No. |
|-------------------------------------|-------------|-------------|
| Full-time employees: | | |
| Trustlaw | 22 | 21 |
| World under-reported stories | 21 | 19 |
| Media development and Training | 17 | 15 |
| Trust Women | 6 | 6 |
| Communication, strategy and support | 16 | 16 |
| Total | 82 | 77 |

The number of the employees during the year, whose gross pay and benefits (excluding employer pension contributions) fell within the following bands, was:

| | 2016 No. | 2015 No. |
|--|-------------|-------------|
| Banding | | |
| £60K - £70K | 4 | 6 |
| £70K - £80K | 4 | 4 |
| £80K - £90K | 5 | 3 |
| £90K - £100K | - | 2 |
| £100K - £110K | 2 | 1 |
| £230K - £240K (of which 58% is paid as a Gift in Kind by Thomson Reuters Group) | 1 | - |
| £300K - £310K (In 2015, 70% was paid as a Gift in Kind by Thomson Reuters Group) | - | 1 |
| | 16 | 17 |

The key management personnel of the Foundation comprise the Chief Executive Officer, Chief Operating Officer, Editor-In-Chief, TrustLaw Director, Media Development and Training Director, Finance Director, Chief Technology Officer and Development Director. The total employee benefits of the key management personnel of the Foundation were £706k (2015: £610k).

Pension contributions in the year for the provision of defined contribution and defined benefit schemes totaling £102k were made for sixteen employees paid over £60k (2015: £112k for eighteen employees). There are no (2015: nil) outstanding pension contributions at the year end.

Remuneration costs have been reflected in the SOFA under direct costs and support costs.

11 Trustees

In 2016 no Trustees received remuneration (2015: none).

12 Tangible fixed assets

| Group and Charity | Computer & office equipment | |
|---------------------------------|--------------------------------|----------------|
| | 2016 £000's | 2015 £000's |
| Cost | | |
| Balance at 1 January | 393 | 367 |
| Additions | 22 | 26 |
| Disposals | - | - |
| Balance at 31 December | 415 | 393 |
| Accumulated depreciation | | |
| Balance at 1 January | 360 | 339 |
| Charge for the year | 23 | 21 |
| Disposals | - | - |
| Balance at 31 December | 383 | 360 |
| Net Book Value | 32 | 33 |

13 Investments

| | Group 2016 £000's | Group 2015 £000's | Charity 2016 £000's | Charity 2015 £000's |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| Balance at 1 January | 68 | 69 | 218 | 219 |
| Additions | - | - | - | - |
| Profit/(loss) on revaluation of investment | 4 | (1) | 4 | (1) |
| Balance at 31 December | 72 | 68 | 222 | 218 |
| Cash on deposit with brokers | 2 | 2 | 2 | 2 |
| Total investments | 74 | 70 | 224 | 220 |

The Group investment of:

£72k (2015: £68k) relates to the Hagio Fund (see note 18). The investment assets are all listed in the UK in M&G Charibond Inc - £18k (2015: £17k) and M&G Charifund Inc - £54k (2015: £51k). Cash is held in an interest bearing deposit account. The additional £2k represents the interest earned in 2016 which has not been paid over to the Charity in 2016

14 Debtors: Amounts falling due after more than one year

| | Group 2016 £000's | Group 2015 £000's | Charity 2016 £000's | Charity 2015 £000's |
|--------------------------------|-------------------------|-------------------------|---------------------------|---------------------------|
| Prepayments and accrued income | 820 | 820 | 820 | 820 |

Prepayments and accrued income relates to amounts due from Thomson Reuters Group to pay the grant to RISJ for the years 2018 and 2019 (2015: for the years 2017 and 2018).

15 Debtors: Amounts falling due within one year

| | Group 2016 £000's | Group 2015 £000's | Charity 2016 £000's | Charity 2015 £000's |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| Trade debtors | 311 | 229 | 51 | 108 |
| Amount owed by group undertakings | - | - | 438 | 682 |
| Amount owed by the Thomson Reuters Group | 51 | 142 | - | 61 |
| Other debtors | 358 | 669 | 357 | 612 |
| Prepayments and accrued income | 721 | 791 | 654 | 643 |
| Total | 1,441 | 1,831 | 1,500 | 2,106 |

16 Creditors: Amounts falling due within one year

| | Group 2016 £000's | Group 2015 £000's | Charity 2016 Charity | Charity 2015 £000's |
|--|-------------------------|-------------------------|----------------------------|---------------------------|
| Trade creditors | 279 | 42 | 132 | 6 |
| Grants payable | 410 | 410 | 410 | 410 |
| Amounts owed to the Thomson Reuters Group | 901 | 1,421 | 901 | 1,414 |
| Other creditors including taxation and social security | 171 | 204 | 150 | 201 |
| Accruals and deferred income | 1,495 | 622 | 1,349 | 589 |
| Total | 3,256 | 2,699 | 2,942 | 2,620 |

Grants payable is in relation to the grant payable to Oxford University. Deferred income is all utilised in the year.

17 Creditors: Amounts falling due after more than one year

| | Group 2016 £000's | Group 2015 £000's | Charity 2016 £000's | Charity 2015 £000's |
|--|-------------------------|-------------------------|---------------------------|---------------------------|
| Grants Payable - Oxford University grant 2018 - 2019 | 820 | 820 | 820 | 820 |

18 Statement of funds

| | Balance 1 January 2016 £000's | Incoming resource`s £000's | Resources expended £000's | Net Investment gains & losses £000's | Balance 31 December 2016 £000's |
|-------------------------------------|--|----------------------------------|---------------------------------|---|--|
| Restricted funds (Group) | | | | | |
| AID fund | 5 | - | - | - | 5 |
| AJWS | - | 54 | (54) | - | - |
| Aswat Masriya | - | 550 | (550) | - | - |
| Barilla | - | 33 | (33) | - | - |
| Bosch | - | 211 | (211) | - | - |
| Braced | - | 329 | (329) | - | - |
| C&A Foundation | - | 215 | (215) | - | - |
| DEPP | - | 66 | (66) | - | - |
| Deutsche Bank | - | 100 | (100) | - | - |
| Emergency Information Service | 37 | - | (5) | - | 32 |
| FAO | - | 59 | (59) | - | - |
| GIZ | - | 1 | (1) | - | - |
| Hagio | 56 | 3 | (5) | 4 | 58 |
| Hidden Connections | - | 36 | (36) | - | - |
| IFAD | - | 40 | (40) | - | - |
| LIFT | - | 3 | (3) | - | - |
| Mauritania Dutch | - | 5 | (5) | - | - |
| Mona Megalli | 106 | 36 | - | - | 142 |
| NORAD | - | 509 | (509) | - | - |
| Niall Fitzgerald prize | 1 | - | - | - | 1 |
| Property Rights | - | 663 | (663) | - | - |
| Rockefeller Foundation | - | 95 | (95) | - | - |
| Samira Kawar Donation | 15 | - | - | - | 15 |
| UNICEF | - | 7 | (7) | - | - |
| Zilient | - | 1 | (1) | - | - |
| Restricted funds (Group) | 220 | 3,016 | (2,987) | 4 | 253 |
| Endowment funds (Group) | 619 | - | (25) | - | 594 |
| Unrestricted funds (Group) | 428 | 8,253 | (7,997) | - | 684 |
| Total funds (Group) | 1,267 | 11,269 | (11,009) | 4 | 1,531 |
| Restricted funds (Charity) | 220 | 2,478 | (2,449) | 4 | 253 |
| Endowment funds (Charity) | 619 | 0 | (25) | - | 594 |
| Unrestricted funds (Charity) | 428 | 7,400 | (7,144) | - | 684 |
| Total funds (Charity) | 1,267 | 9,878 | (9,618) | 4 | 1,531 |

Endowment fund:

During 2014 a legacy £644k was received by the Foundation in memory of a deceased Reuter's journalist, Mona Megalli. In 2015 & 2016, £25k was used to provide funding for an Arabic speaking journalist at the Reuters Institute for the study of Journalism at Oxford University, in line with the conditions of the legacy (see accounting policies (m)).

The Endowment conditions may only be modified after 10 years from December 2014 with two thirds of the Boards approval.

Restricted funds:

AID fund

This fund was established in 2000 to provide seed funding to aid organisations at the scene of large-scale natural disasters, helping vital relief work get underway.

AJWS (American Jewish World Service)

In 2016 the Foundation received funding to set up and run a digital news platform covering land and property rights, called PLACE. A dedicated team of journalists based in the UK, Africa, India and Brazil produce original news and videos on stories from around the world, published on the platform along with info graphics, analysis and opinion pieces and links to relevant research, articles and videos from external sources. In 2016 AJWS provided co-funding to support an Africa-based correspondent for this news platform.

Aswat Masriya

In 2016, the UK FCO's Conflict, Stability and Security Fund continued to fund the Aswat Masriya project. The two main project activities were providing free objective news coverage of events in Egypt; and providing training for journalists in investigative reporting and for media figures in communicating messages to the media.

Barilla

In November 2016 funding was received from the Barilla Center for Food and Nutrition Foundation to launch and run two cycles of the Food Sustainability Media Award, a global initiative that aims to raise awareness of, and promote solutions to, today's food paradoxes through recognising excellence in reporting on issues related to food sustainability and security, agriculture and nutrition.

Bosch

In 2016 Robert Bosch Stiftung provided funding to train 16 journalists from Southeast Europe in Economic and Political Reporting in London and Berlin. The partnership with Robert Bosch Stiftung since 2007 has trained over 136 journalists from the Balkans and Southeast Europe.

The Foundation received additional funding to provide journalism capacity building and cross border reporting workshops and grants to Russian speaking journalists from Russia, Eastern Europe and Central Asia. Following a launch event in Moscow, we have run a number of workshops, funded reporting trips in a number of regions and established an Advisory Board.

Braced

The Foundation created and manages the website for BRACED (Building Resilience and Adaptation to Climate Extremes and Disasters), for the UK Department for International Development's premiere resilience building project. BRACED has 120 partner organisations, works in 13 countries in Africa and Asia to make 5 million of the most vulnerable people to climate change and disaster more resilient to extremes. As part of the project's "Knowledge Manager" the Foundation also carries out independent reporting on BRACED projects and on BRACED themes, from climate and weather information to gender and inclusion.

C&A Foundation

In 2015 the Foundation received funding from the C&A Foundation for a three-year project focused on human trafficking and slavery reporting. The Foundation has set up a dedicated reporting team, with two correspondents based in India, producing both short and in-depth articles on forced labour and trafficking published through the Foundation's news platform. In addition, the Foundation committed to organising three annual journalism training courses on reporting slavery, followed by mentoring for selected journalists to produce in-depth stories on the topic.

DEPP

The Disasters and Emergencies Preparedness Programme (DEPP) is a ground-breaking three-year programme investing in disaster and emergency preparedness to significantly improve the quality and speed of humanitarian response in countries at risk of natural disasters or conflict-related humanitarian emergencies. The Foundation has been delivering key technology components of this project in Bangladesh and South Sudan in order to strengthen information sharing and two-way communication preparedness capacity for better dialogue, better information and better action.

Deutsche Bank

Deutsche Bank teamed up with the Thomson Reuters Foundation to finance our sixth annual perception poll. The 2016 survey conducted in 45 of the world's biggest economies set out to find the best countries to be a social entrepreneur. The survey, presented on an innovative and compelling multimedia platform, was launched to great acclaim in San Francisco at SOCAP, the leading annual social capital markets forum, as well as at events in Hong Kong and Deutsche Bank offices in London.

Emergency Information Service

Funds were raised primarily from Thomson Reuters Group staff and Thomson Reuters Group matching for the Foundation's Emergency Information Service.

FAO

In June 2016 funding was received from the Food and Agricultural Organisation (FAO) to hire a journalist, set up and maintain a platform on our website focus on food security issues and hold some joint events at the FAO headquarters in Rome.

GIZ

In late 2016 the Foundation began a one-year extractives reporting programme in Liberia, supported by GIZ. The programme involves 12 carefully selected journalists and helps them improve their coverage of Liberia's mining sector through training and mentoring.

Hagio Fund

The Hagio Fund was established in 2000, after the donation to the Foundation of a portfolio of cash and bonds from Mrs. Fumiko Hagio. Income from the investments is used to fund an annual travel award to promote international understanding of Japanese culture and society to a maximum value of £5k. Any shortfall between the income arising from the fund and the value of the prize is made up from the Foundations unrestricted reserves.

Hidden Connections

Hidden Connections was a video project commissioned by Participant Media's online platform to explore how climate change impacts society in unexpected ways. The project was a 3-part documentary and an expert interview about how climate change is driving child marriage in Bangladesh. The films were distributed through the Reuters networks with an original text story and published on a microsite created by Take Part.

IFAD

The Foundation received a new 18 month grant in February 2015 to deliver 6 workshops for developing country journalists on 'Reporting rural poverty and Agriculture' and provide ongoing mentoring. In 2016, the Foundation continued to work with the specialised UN agency to bring the topic of Rural Development into news rooms around the world. Particular focus in 2016 has been on themes of Rural Transformation and Financial Inclusion with coutces held at IFAD's Governing Council in Rome, at the Financing for Development Conference in Addis Ababa, and at IFAD's Asia Pacific annual meeting in Bali.

LIFT

In 2016, the Foundation received a one-year contract from UNESCO to deliver 10 monthly news and features packages on agricultural and rural development across Myanmar. The programme is designed to increase the knowledge of rural agricultural innovations to enable the public to make better informed choices and improve their quality of life.

NORAD

In 2014 the Foundation received a 3 year grant from NORAD to run a programme to support journalists and media organisations to cover illicit finance and tax abuse and improve oil reporting. The programme – called Wealth of Nations - focuses primarily on Africa, with one initiative on oil reporting taking place in Iraq. By the end of 2016 we had worked with 160 journalists and 24 newsrooms across 35 African countries, assisting them to produce over 300 stories and 70 hard hitting investigations.

Mauritania Dutch

In 2015 the Dutch Embassy in Dakar, Senegal, contributed for a project titled “Professionalizing the Media in Mauritania”, with a focus on reporting on women. The Foundation trained 11 journalists in a 5 day skills-based training course, held in Nouakchott, mentoring for 5 of the participants to produce stories on women’s rights and issues, which included a further 3-day workshop focused on story development also held in Nouakchott.

Mona Megalli Funds

In 2007 donations were received by the Foundation in memory of a deceased Reuters journalist, Mona Megalli. These funds have been used to provide a Fellowship at Oxford and to produce an ethics handbook in English and Arabic. In 2013 £77k (£74k balance sheet conversion rate) inherited IRA account (held with Fidelity) on which the Foundation was the contingent beneficiary was received following the death of Mona's brother Murad Megalli.

Niall Fitzgerald Prize

Established in 2008 by the legacy Reuters Board of Directors to honor Niall FitzGerald, the outgoing Chairman. The scholarship will enable young African journalists to attend a post-graduate course in journalism at Wits University and to then become an intern in a Reuters bureau for 6 months, following the successful completion of the post-graduate course. £20k was divided up over 3 years.

Omidyar - Property Rights

In 2016 Omidyar Network funded the set up and running of a digital news platform covering land and property rights, called PLACE. A dedicated team of journalists based in the UK, Africa, India and Brazil produce original news and videos on stories from around the world, published on the platform along with info graphics, analysis and opinion pieces with links to relevant research, articles and videos from external sources. The current funding runs until 31st December 2018.

Rockefeller Foundation

In 2016, TRF implemented a journalism training programme funded by Rockefeller Foundation aimed to improve the coverage of resilience and urban development news in Africa and Asia. Training courses were held in Thailand and Kenya, to help journalists understand the UN’s 17 Sustainable Development Goals. Ten journalists with the best story pitches for the Quito Habitat III conference were awarded the chance to travel to Ecuador and cover the event with on-the-job guidance from TRF’s experienced journalism consultants.

Samira Kwar Donation

A donation of £24k (\$50k) was received from Samira Kwar (a member of Reuters Editorial team) in 2007 to provide training to Middle East journalists.

UNICEF

The Foundation developed a curricula, online learning modules and launched training in India to train 60 trainers capable of delivering health training to journalists and journalism schools around India. There is currently no journalism school or curriculum that is dedicated to the issue, which is coming into focus in the country's media.

Zilient

In October 2016 the Foundation received funding from Rockefeller Foundation to produce, curate and publish a range of multimedia content and resources for "Zilient", an online publishing and knowledge-sharing platform for resilience. For this, the Foundation will set up a dedicated 5-person team, including correspondents in Asia, Africa and Latin America, as well as a Web Producer and Editor. The current funding for this runs until September 2018.

19 Analysis of net assets of the funds

| | Charity unrestricted funds £000's | Charity restricted funds £000's | Charity endowment funds £000's | Charity Total 2016 £000's | Charity Total 2015 £000's |
|-----------------------|--|--|---|------------------------------------|------------------------------------|
| Fixed assets | 32 | 224 | - | 256 | 253 |
| Current assets | 3,134 | 1,309 | 594 | 5,037 | 4,454 |
| Current liabilities | (1,662) | (1,280) | - | (2,942) | (2,620) |
| Long term liabilities | (820) | - | - | (820) | (820) |
| Net assets | 684 | 253 | 594 | 1,531 | 1,267 |

| | Group unrestricted funds £000's | Group restricted funds £000's | Group endowment funds £000's | Group Total 2016 £000's | Group Total 2015 £000's |
|-----------------------|--|--|---------------------------------------|----------------------------------|----------------------------------|
| Fixed assets | 32 | 74 | - | 106 | 103 |
| Current assets | 3,448 | 1,459 | 594 | 5,501 | 4,683 |
| Current liabilities | (1,976) | (1,280) | - | (3,256) | (2,699) |
| Long term liabilities | (820) | - | - | (820) | (820) |
| Net assets | 684 | 253 | 594 | 1,531 | 1,267 |

20 Reconciliation of net movement in funds to net cash flow from operating activities

| | 2016 £000's | 2015 £000's |
|---|----------------|----------------|
| Net movement in funds | 264 | (364) |
| Adjustments for: | | |
| Depreciation charges | 23 | 21 |
| Dividends, interest and rents from investments | (3) | (4) |
| Decrease in debtors | 391 | 407 |
| Net gains/(loss) on investments | (4) | (1) |
| Increase in creditors | 556 | 730 |
| Net cash generated from operating activities | 1,227 | 789 |

21 Financial instruments

| | Note | Group 2016 £000's | Group 2015 £000's | Charity 2016 £000's | Charity 2015 £000's |
|--|-------|-------------------------|-------------------------|---------------------------|---------------------------|
| Financial assets at fair value through statement of financial activities | | | | | |
| Investments | 13 | 74 | 70 | 224 | 220 |
| | | <u>74</u> | <u>70</u> | <u>224</u> | <u>220</u> |
| Financial assets that are debt instruments measured at amortised cost | | | | | |
| Trade debtors | 15 | 311 | 229 | 51 | 108 |
| Amount owed by group undertakings | 15 | - | - | 438 | 682 |
| Amount owed by Thomson Reuters Group | 15 | 51 | 142 | - | 61 |
| Other debtors | 15 | 358 | 669 | 357 | 612 |
| Prepayments and accrued income | 14,15 | 1,542 | 1,611 | 1,475 | 1,463 |
| Cash and cash equivalents | | 3,240 | 2,032 | 2,717 | 1,528 |
| | | <u>5,502</u> | <u>4,683</u> | <u>5,038</u> | <u>4,454</u> |
| Financial liabilities measured at amortised cost | | | | | |
| Trade creditors | 16 | 279 | 42 | 132 | 6 |
| Grants payable | 16 | 410 | 410 | 410 | 410 |
| Amounts owed to Thomson Reuters Group | 16 | 901 | 1,421 | 901 | 1,414 |
| Other creditors including taxation and social security | 16 | 171 | 204 | 150 | 201 |
| Accruals and deferred income | 16 | 1,495 | 622 | 1,349 | 589 |
| Grants Payable - Oxford University grant 2018 - 2019 | 17 | 820 | 820 | 820 | 820 |
| | | <u>4,076</u> | <u>3,519</u> | <u>3,762</u> | <u>3,440</u> |

22 Other related party transactions

Thomson Reuters Foundation receives an annual donation from Reuters Limited, a wholly owned subsidiary of the Thomson Reuters Group. The Foundation makes payments to Reuters Limited and other Thomson Reuters Group companies in respect of services provided by it. The amount owing to Reuters Limited and other Thomson Reuters Group companies as at 31 December 2016 was £850k (2015: £1,279k). Various other donations and gifts in kind are received from Thomson Reuters Group. The Foundation through its trading subsidiary also provides training to Thomson Reuters Group staff in writing and communications skills for which it charges a fee, the total income for 2016 was £455k (2015: £389k).

The following is a summary of the transactions with Thomson Reuters Group:

| | 2016 £000's | 2015 £000's |
|--|----------------|----------------|
| Donations | | |
| Unrestricted donation from Reuters Limited | 4,181 | 4,140 |

Incoming resources from charitable activities and activities for generating funds

| | | |
|---------------------------------|--------------|--------------|
| Journalism training course fees | 455 | 389 |
| Total | 4,636 | 4,529 |

Expenditure charged from Thomson Reuters Group

| | | |
|--------------------------------|--------------|--------------|
| Staff costs and other expenses | 4,397 | 3,676 |
| Total | 4,397 | 3,676 |

Expenditure charged by the Thomson Reuters Group relates to Foundation expenditure initially paid by Reuters Limited and other Thomson Reuters Group companies and subsequently recharged to the Foundation.

Office related costs and journalists and other staff are provided by the Thomson Reuters Group for which no charge is made and Thomson Reuters Group also bears the costs of part of the Chief Executive's remuneration. The Thomson Reuters Group also provided free advertising space for the annual Trust Women Conference. The total of such gifts amounted to £2,119k (2015: £1,942k).

In 2015 Reuters Limited entered into a 3 year rolling agreement with the Foundation to undertake to grant for £4,000k to the Foundation by way of funding. In 2016 Reuters Limited entered into a new rolling agreement with the Foundation to grant up to a minimum of £4,500k from 2017 onwards, superseding the previous agreement. If the Foundation, as a direct result of Reuters Limited no longer funding it, becomes unable to pay its debts, Reuters Limited guarantees to meet the liabilities of the Foundation in respect of money due to the University of Oxford for the Reuters Institute for the Study of Journalism and the cost of Foundation staff redundancies up to a maximum cumulative amount of £4,000k. Geert Linnebank is a member of the Reuters Institute steering committee.

Thomson Reuters Foundation has entered into a rolling 3 year grant commitment (£410k each year) with Reuters Institute for the Study of Journalism (RISJ) at the University of Oxford, refer to note 8. Geert Linnebank (Trustee) is a member of the RISJ steering committee.

In 2016, the Foundation received a donation of \$25k (2015:\$25k) from The Woodbridge Company Limited. David Binet (Trustee) is the President and CEO of The Woodbridge Company Limited.

The Foundation has taken advantage of the exemption given by FRS 102, Related Party Disclosures, from disclosing transactions with its wholly owned subsidiaries.

23 **Subsidiary company**

a) Trading subsidiary

Thomson Reuters Foundation owns all of the allotted and called up share capital of Reuters Foundation Consultants Limited, a company registered in the United Kingdom, registration number 03740741. The subsidiary is used for non-primary purpose trading activities with the aim of generating profits to be gift aided to the Foundation. In 2010 Thomson Reuters Foundation purchased £150k of share capital in Reuters Foundation Consultants Limited to provide working capital for the subsidiary to carry out trading activities. In 2016 £374k of the profit made will be distributed to Thomson Reuters Foundation in 2017 (2015: £677k of the profit made in 2015 was donated in 2016). During 2016 Reuters Foundation Consultants Limited continued carrying out journalism and media training work and also ran its annual Trust Women Conference.

A summary of the results of the subsidiary is shown below.

Reuters Foundation Consultants Limited

| | 2016 | 2015 |
|--|------------|------------|
| | £000's | £000's |
| Turnover | 1,766 | 1,640 |
| Cost of sales | (1,383) | (952) |
| Operating profit | 383 | 688 |
| Administrative expenditure | (9) | (11) |
| Interest received | | |
| Gift Aid to be distributed to Parent company | (374) | (677) |
| Result before taxation | - | - |
| Taxation | - | - |
| Retained result | - | - |
| Retained profit brought forward | - | - |
| Retained profit carried forward | - | - |

The aggregate of the assets, liabilities and funds was:

| | | |
|--------------|------------|------------|
| Assets | 901 | 910 |
| Liabilities | (751) | (760) |
| Funds | 150 | 150 |

The funds represent 150,002 ordinary shares of £1 each.



REUTERS/Arko Datta

20
16

A YEAR OF INNOVATION