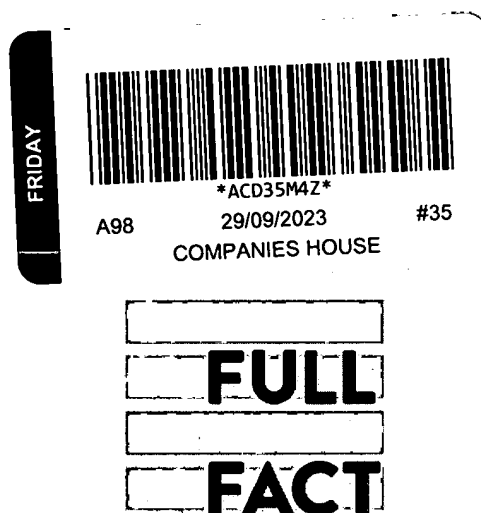


REGISTERED COMPANY NUMBER: 06975984 (England and Wales)  
REGISTERED CHARITY NUMBER: 1158683

**REPORT OF THE TRUSTEES AND  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**FOR**

**FULL FACT  
(A COMPANY LIMITED BY GUARANTEE)**



**FULL FACT**

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**FULL FACT**

**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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**Registered Company number**  
06975984 (England and Wales)

**Registered Charity number**  
1158683

**Registered office**  
17 Oval Way  
London  
SE11 5RR

**Auditors**  
MHA  
6<sup>th</sup> Floor, 2 London Wall Place  
London  
EC2Y 5AU

**Bankers**  
Charities Aid Foundation  
25 Kings Hill Avenue  
Kent  
ME19 4TA

**Trustees**  
Mr M J Samuel (Chair)  
Ms A Cook  
Mr T Gordon  
Mr J P Harding  
Mr R Inglewood  
Professor A Menon  
Baroness J Royall  
Lord J Sharkey – resigned on 10 January 2022  
Mr W M J De Winton – appointed on 29 March 2022  
Ms A M Cox – appointed on 29 March 2022  
Ms C H Melamed – appointed on 29 March 2022  
Ms C Wardle – appointed on 29 March 2022

**Chief Executive**  
Mr W Moy – resigned 1 June 2023  
Mr A Dudfield (interim) – appointed 1 June 2023

**Company Secretary**  
Ms C Ross

## **FULL FACT**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022**

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The Trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the consolidated financial statements of the charity for the year ended 31 December 2022. The Trustees have adopted the provisions of 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).

## **OBJECTIVES AND ACTIVITIES**

### **Objectives and aims**

Full Fact's charitable objectives, as registered with the Charity Commission, are as follows -

The advancement of public education in the fields of crime, health, immigration, economy, education, environment and social welfare, through education, research and training, to promote and advance public understanding and inform public debate in those fields and in particular by making available to the public, through a process of objective, impartial research and rigorous factual analysis, full, accurate and relevant information to assist such public understanding and to inform and improve the quality of public debate.

The promotion of citizenship and civic responsibility including by encouraging and facilitating informed participation and engagement by members of the public in their communities, promoting high standards of informed public debate and the provision of Public Interest Content by exclusively charitable means.

The advancement of health and in particular to minimise the damage to people's health caused by inaccurate or unreliable information.

"Public Interest Content" means news and other information, which is generated, checked, confirmed, corrected as necessary and disseminated to the public online or by other means according to high standards of ethical conduct and best practice in journalism and which provides one or more of the following benefits to the public:

- informs members of the public about matters of relevance to their role and responsibilities as citizens,
- enables members of local communities to become aware of and understand matters of common concern to them as members of their community and which promotes their involvement and cooperation in such matters and community cohesion accordingly,
- enables members of the public to participate in an informed manner in relevant democratic processes and, as a result, supports the legitimacy of the democratic process as a whole,
- benefits the public by promoting charitable educational outcomes, such as improving public understanding of health and medical matters or the conservation of the environment

Such purposes shall in all respects and at all times be construed and promoted:

(a) in an impartial, objective, balanced, and independent manner observing strict political neutrality and, to the extent that such principles may be applied to such purposes, consistent with the principles enunciated in the Code of Practice for Official Statistics;

(b) exclusively for the benefit of the public and in accordance with the law relating to charity in England and Wales.

### **Strategies and activities**

In the short term, we fact check, which has three benefits: informing public debate by giving people reliable information to make up their own minds on issues in public debate; encouraging participants in public debate to provide full and accurate information; and building an evidence base about how specific unsubstantiated claims arise and are spread.

Then, when we see specific unsubstantiated claims we seek to get those claims corrected at source to reduce the level of repetition of the claim and any harm that results from it. Our work has led to corrections from a Prime Minister, national newspapers, and many others, improving the quality of public debate.

## FULL FACT

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

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In the medium term, we use the evidence from our fact checking to diagnose systemic problems and get systemic changes such as improvements to press complaints procedures. For example, we've worked with official statistics providers and charities to improve the way they present their information when it has been persistently misinterpreted.

In the long run, we believe it is important to advocate the value of high- quality, well- informed public debate and the roles we all have in maintaining that.

In recent years, false and distorted information online has become increasingly important to Full Fact's mission, and increasingly prominent in public and policy debate. Full Fact's response to that includes four areas of work: content, technology, research, and policy. This will continue to be an important concern for our work.

Full Fact has been a world leader in automated fact checking, which we believe has the potential to make fact checking dramatically more effective. We have tools already in use in our fact checking and are developing them with a view to making them globally useful.

#### Public benefit

The charity's activities are for the advancement of public education through education, research and training. This report details how it carries out impartial research and rigorous factual analysis, full, accurate and relevant information to assist such public understanding and to inform and improve the quality of public debate.

The Trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

## STRATEGIC REPORT

### How Full Fact works

Full Fact fights bad information. We're independent fact checkers and campaigners who find, expose and counter the harm it does.

We don't treat bad information as one big insoluble problem. Fact checking specific claims every day shows it for what it really is: many different problems, many of which we can solve or improve. There are pinch points in the flow of information, moments when changing a few people's minds, an algorithm, or a system can help better information serve millions. Fact checking helps us find them.

Full Fact fights the causes and consequences of bad information in four ways:

**1. Fact checking**  
to inform our audiences, and maintain scrutiny of people in power.

We reached 7 million users on our website so far this year, and our work is shown in Google and Facebook.

**2. Corrections & interventions**  
to stop the spread of specific false claims and hold people to account

We've achieved corrections from Prime Ministers and many others.

**3. Systems change**  
to help make bad information rarer and less harmful

Our work led to several newspapers' corrections columns, and stopped Ministers selectively leaking official statistics.

**4. Advocating high standards**  
to help maintain high expectations of and from those in public life

Full Fact has "made us all think a little bit harder."  
— Oliver Wright,  
The Times

## ACHIEVEMENTS AND PERFORMANCE

The demand for Full Fact's work in 2022 was exceptional:

- 642 fact checks and articles published on topics including the war in Ukraine, the cost of living crisis, Brexit, vaccines and much more
- Nearly 11 million people accessed good information via our website and over 300 million more saw our work via Google, Facebook and YouTube

## FULL FACT

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

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- 3,309 appearances and mentions in the media
- over 38,711 people joined us in demanding honesty from our politicians by signing our petition to fix Parliament's corrections processes
- Our AI tools monitored over 28 million sentences for potential claims to check
- Over 60 false claims were corrected by leading politicians, major broadcasters and newspapers and many others
- automated fact checking technology shared with non-profit fact checkers in 6 different countries including the United Kingdom, Australia, South Africa and the United States

#### **Fact checking**

Once again this year, our fact checkers have been working amid an unpredictable news cycle. Alongside continuing to investigate inaccurate claims relating to the pandemic, the war in Ukraine and the cost of living crisis, our team have focused their attention on the uncertainty in government and changes in the economy which affect all of our lives.

In a year of heightened political activity, and three prime ministers, Full Fact saw concerning regular use of misleading claims from our elected leaders - despite an overwhelming majority of voters believing that honesty in politics matters. To provide good information quickly, we live fact checked PMQs and published over 188 fact checks of politicians' claims. During the Conservative leadership contest, we fact checked the televised debates which covered topics including taxes, the NHS, immigration, Brexit and much more. At the beginning of the contest, we also partnered with "UK in a Changing Europe" to produce a series of evidence-led assessments of the key issues confronting the country. We wanted to provide the public with information that would help them make up their own minds - as well as equip candidates, parliamentarians and journalists with the best available evidence.

Other major news events, such as the Queen's death, saw bad information spread rapidly too. We debunked incorrect estimates of the cost of the funeral and inaccuracies around how much the royal family are worth. Alongside this, we have countered false claims about the numerous economic changes announced by the government over the past couple of months, which have caused confusion and distress to many.

#### **Corrections and interventions**

We are proud of the scrutiny our fact checks deliver, especially over those in the highest positions of power, but our work doesn't stop there. This year, our dedicated Interventions Manager has taken more than 240 actions relating to claims we've fact checked, which is over double the number of actions we took in 2021. This includes making more than 70 direct challenges to MPs over inaccurate or misleading claims. Below are a couple of examples demonstrating how our monitoring, fact checking and corrections processes work effectively together to promote accuracy in public debate.

##### *Confusion over the '£2,500 energy bill cap'*

In September, the Energy Price Cap Guarantee (EPCG) was announced, meaning the annual energy consumption of a typical household with average use would have cost about £2,500. Soon after the announcement, Full Fact found the then Prime Minister, Liz Truss, repeatedly misdescribing the EPCG claiming 'nobody is paying fuel bills of more than £2,500'. If believed, this could lead to households across the country mistakenly running up higher energy bills and likely contributed to the findings of one survey which suggested 38% of people misunderstood the policy.

Full fact contacted No. 10, and subsequently the PM made a public apology saying 'I agree, I should have been more specific'. Not only this, our intervention received print coverage from Radio 4 and LBC, and online reporting from over 300 outlets.

##### *Survey findings misconstrued*

Full Fact found figures about child self harm reported by The Guardian, the Mirror and the Independent to not reflect the actual findings of a survey conducted by the Childhood Trust. We contacted the newspapers who all published timely corrections.

However, just a few weeks later this false claim was repeated again in Parliament by Labour MP Marsha de Cordova. Thanks to our AI-driven technology which quickly identified the repetition, we were able to get in touch with de Cordova who issued a public correction, and thanked us for our work.

**FULL FACT****REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 DECEMBER 2022**

Full Fact wants to see far more politicians prepared to correct their mistakes, so the public's perception of honesty in politics becomes the norm, not the exception. To increase pressure on those who are still not willing, we have created 'Can I Trust' pages for every MP. The page sets out the number of times we have fact checked the MP in question and if they have corrected themselves. We hope these pages can be used as a tool by the public to easily understand who is correcting their mistakes and working to rebuild trust and accountability in politics.

**Systems change**

The long awaited Online Safety Bill had been a key piece of legislation which could have better protected us all from harmful misinformation and disinformation online. Unfortunately, the Bill introduced to Parliament was inadequate to meet that need and, in late 2022, was narrowed even further - to such a degree that one of the few areas of misinformation that would have fallen within its concept of content harmful to adults—harmful false health content—will now fall outside of the legislation's remit as things stand. Our team has been focussed on ensuring the previous commitment to include health misinformation in the Bill is reverted to. We have been working with allies in the House of Commons and the House of Lords to keep up the pressure on the government to maintain its earlier commitment and to gain further ground on key areas of concern, such as media literacy and protecting free speech.

Meanwhile, we have continued to advocate for the introduction of a corrections system in Parliament that goes beyond Ministers. We want all MPs, including those who are not Ministers, to be able to correct the official record when they make mistakes in the House of Commons. A similar system of correction already exists in Scotland where correcting mistakes made in parliamentary debates is seen as a normal part of life for an MSP. We were pleased when, thanks in part to our campaign, an official inquiry was announced, leading to an opportunity for our CEO to give evidence to the House of Commons Procedure Committee in October where he made clear the importance of this change.

We are motivated to know that we are not alone in wanting change. In 2022 we launched Full Fact's first petition. We are grateful to the 38,711 people from all over the country who stood with us to demand honesty in politics. The campaign is gaining momentum and has real potential now to lead to real world change thanks to everyone who has joined us so far which has put the issue directly on to the agenda of the decision makers: elected politicians. We are making our collective expectations known to MPs - that they admit publicly when they get things wrong, and along with all MPs, agree new rules to make it easy to correct mistakes and stop politicians from misleading Parliament.

Looking to the year ahead, we know there is still so much more to do. Our newly launched health programme will start tackling the most harmful types of false health claims including clinical claims and those affecting the delivery of care, such as public health spending, NHS privatisation and staff salaries. Our plans for the next general election will begin, where our network of supporters will take actions with us to call for truth and honesty. Finally, we will continue to supply the facts, not fiction, to everyone seeking accurate information.

**FINANCIAL REVIEW****Financial position**

The consolidated income for 2022 was £2,547,541 versus income of £2,449,633 in 2021. Spending in 2022 was £2,497,818 up from £2,409,919 in 2021. This meant there was a surplus of £49,723 in 2022 compared to a surplus of £39,714 in 2021.

Full Fact Services Ltd's income for 2022 was £452,497 (2021: £382,008). Trading expenditure in the year amounted to £322,585 (2021: £207,734) – made up of salary recharges of £281,746 and other expenditure amounting to £40,839 – leading to a trading profit of £129,912 (2021: £174,274). Gift Aid distributions were made to the Charity during the year totalling £174,274 (2021: £296,046) leading to a realised deficit of £44,362 (2021: £121,772).

**Reserves Policy**

It remains the charity's policy to aim to maintain unrestricted reserves of between a minimum of 4 months (£1,021,030) and up to 6 months (£1,531,544) of running costs. In 2022, the total unrestricted reserves were £1,287,919 (2021: £1,266,919) which is equivalent to 5 months running costs. We have established a minimum of 4 months reserves in order to:

## **FULL FACT**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022**

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- allow for unforeseen emergencies or other unexpected needs (for example, costs relating to any legal proceedings).
- allow the organisation time to seek other funding, should grant income not be renewed.
- fund potential short-term deficits in cash flow (for example, should there be delays to funding being received and/or funds needing to be spent in advance).
- finance winding down costs, for example redundancy payments to staff and office rent.

We have set the maximum reserves level at six months, to give us sufficient opportunities for fundraising.

#### **Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. The Charity is continuously monitoring its expected income levels, operational targets are set in order to ensure the charity secures sufficient funding to fulfil its on-going obligations. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

#### **Principal funding sources**

Our aim in fundraising is to secure our independence and our ability to achieve our charitable objectives. We actively seek and receive a diverse range of funding and are transparent about all our sources of income. In particular, we would like to thank the thousands of people who have supported our work.

#### **Fundraising**

Full Fact's Trustees and staff are grateful to the many individuals and the wide range of organisations who donate to make our work possible. Full Fact complies with the regulatory standards for fundraising. This report covers the requirements charities must follow as set out in the Charities Act 2016.

Our approach is that donors are a crucial part of the extended Full Fact team and deserve to be treated with respect. That applies to potential donors too. We solicit donations from the public on our website and other online channels and send updates to our donors that we aim to ensure are useful and relevant. We engage with some donors, particularly those giving large amounts, directly and personally. We also fund raise from trusts and foundations, companies, and other funders.

Every donor giving more than £5,000 a year is named on our website and we have turned down funding when necessary to maintain this level of transparency. Our donors understand that independence is essential to Full Fact's work and this governs our relationship with all our donors and potential donors.

Full Fact does not employ third party fundraisers or employ the kinds of fundraising tactics that have given rise to public concern. We are not bound by any voluntary scheme for regulating fundraising but we will keep this under review as our fundraising work develops.

Our website clearly explains how an individual can complain to Full Fact, about our fundraising or any other aspect of our work. We received no fundraising complaints in the 2022 financial year. Our complaints process dictates that all complaints are recorded on our contact management system and responded to within ten working days.

#### **Plans for future periods**

Full Fact has chosen to focus in three areas in 2023:

1. **Fact checking** - to expose claims and practices that are wrong and that need fixing,
2. **Interventions** - where we are asking 1000s of people to take action with us to demand high standards and thank those who live up to them,
3. **Systems change** - giving people opportunities to –
  - express their demand for higher standards of accuracy in the House of Commons
  - lobby parliament to ensure misinformation and disinformation are tackled proportionately in the Online Safety Bill
  - have their say about what a good election looks like and what we can do to achieve it

## **FULL FACT**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022**

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Full Fact's role is to help people demand and get honesty when it matters. The problem with honesty in public debate is structural, not just personal.

The Full Fact report 2023 sets out our vision for future periods: <https://fullfact.org/about/policy/reports/full-fact-report-2023/>.

## **FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES**

### **Principal risks and uncertainties**

The charity's activities expose it primarily to the financial risks of lack of funding. The charity is mindful of maintaining current funding sources.

The charity produces accurate and timely management information which provides an accurate historic record of financial performance but also contains budgets and forecasts to enable us to monitor short and long term cash flow projections, which enables us to manage the risk profile.

Full Fact has an extensive range of protections for our standards and reputation based on our operating guidelines, conflicts of interest policy, and our feedback process. They are regularly reviewed and updated.

### **Cash flow risk**

The charity's activities expose it primarily to the financial risks of lack of funding. The charity is mindful of maintaining current funding sources.

### **Credit risk**

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments. The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Further details regarding liquidity risk can be found in the Statement of Accounting Policies in the financial statements.

### **Risk register**

The charity's risk register noted high scoring risks in 2022 as: the reputational risk of working with partners who fall into disrepute; the risk of the pressures of the work impacting wellbeing, productivity and retention of the team; the reputational and financial risks related to any loss of personal data; and the reputational risk of making poor judgment in what we publish (e.g. tonal or aggregation bias).

The actions the charity is taking to mitigate those risks are carefully choosing partners and communicating independence clearly; development of clear plans, job definitions and outcomes and monitoring of workloads of staff; development of staffing policies and working with organisations on managing trauma; training for all staff on GDPR.

## **FULL FACT**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022**

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#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Nature of governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Full Fact is a charitable company (no. 6975984) registered in England and Wales and limited by guarantee, incorporated on 29 July 2009 and registered as a charity (no. 1158683) on 17 September 2014. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. The company's members are its Trustees. The guarantee of each Trustee is limited to £10.

Full Fact has a subsidiary company named Full Fact Services Ltd, company (no. 09541967) registered in England and Wales in which it owns 100% of the issued share capital. The Directors of the company are appointed by the Trustees. This company traded in 2022 and has been included within these financial statements.

Full Fact is registered at 17 Oval Way, London, SE11 5RR.

##### **Recruitment and appointment of new Trustees**

New Trustees are appointed by agreement of the existing Trustees. Our policy is to advertise vacancies openly. New Trustees are provided with an induction pack covering structure, strategy, finances, personnel, and procedures.

The Trustees of Full Fact include Conservative, Labour, Liberal Democrat, and independent members of the House of Lords, as well as figures from outside of politics. The Trustees represent a wide range of opinions, and individual Trustees do not perform operational duties for the charity.

##### **Organisational structure**

The Trustees meet four times a year, with a supplementary Finance and General Purposes Committee, which consists of Anna Cook (Chair), Hon. Michael Samuel and Tim Gordon, meeting four times a year as well. The Board reviews its own performance annually and considers training needs as part of this.

There are three other sub-groups, AFC sub-group which meets four times a year, and two established in 2022 - Fact Checking for Change sub-group and Public Action sub-group.

The day-to-day running of Full Fact, is the responsibility of the Chief Executive, Will Moy, and the management team, which consists of COO Laura Dewis, Head of Communications Ross Haig, Head of Automated Fact Checking Andrew Dudfield, Head of Fundraising Louisa Johnson, Head of Policy & Advocacy Glen Tarman, and Editor Steve Nowotny.

##### **Arrangements for setting key management personnel remuneration**

There are many things that attract staff to Full Fact and motivate them above and beyond salaries. But we know pay is an important factor in recruiting and retaining staff. Full Fact seeks to get value for our donors' money by hiring and retaining the right people for their jobs on appropriate terms.

All salaries above £60,000 are approved by the Chair on behalf of the Board of Trustees. Individuals' pay and conditions reflect Full Fact's overall financial position, performance, benchmarking against comparable jobs elsewhere, their level of responsibility and progression over time within the organisation, and the need to ensure that pay is fair between staff.

The Key Management Personnel in 2022 were CEO, COO, Head of Automated Fact Checking, Head of Fundraising, Head of Communications, Head of Policy & Advocacy and Editor.

## **FULL FACT**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022**

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All Trustees give their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in notes to the accounts.

The charity's employees are all paid in accordance with the Remuneration Policy. The annual remuneration of all staff is decided by the Director with the exception of when the Director proposes to pay a senior salary (defined as over £60,000). This is subject to approval by the Chair on behalf of the Board of Trustees. The same applies to individual pay rises of more than 10%.

An annual review of the existing pay scales is undertaken and a decision taken as to whether or not the charity implements an uplift. The Salary of the Director is determined by the Board of Trustees or through the Finance and General Purpose Committee in accordance with the Remuneration Policy set out above. The financial performance and health of Full Fact remains the determining factor in any remuneration progression.

#### **Charity governance code**

The Board hired an external consultant to conduct a board effectiveness review in 2022. Recommendations were made at the September board meeting with a decision to implement any changes agreed in 2023.

The Board conducted a detailed review of Full Fact's governance at the end of 2017, in the light of the recent Charity Governance Code published 2017. This was followed up with annual reviews. We found that Full Fact's governance continues to be fundamentally sound and largely already meets the recommendations of the Code. We are satisfied that Full Fact achieves the outcomes set out under the Code's seven principles.

We have reviewed each of the recommended practices and either taken steps to start to apply them, or chosen not to where the benefits were either not clear or not proportionate. Not all the specific recommendations applied or would have been proportionate for a charity like Full Fact which is relatively small, has no direct beneficiaries in the sense that a charity that principally provides services as opposed to information might, and does not engage directly with vulnerable people.

The Board reviews its own performance as a routine part of its discussions and formally once a year. It regularly carries out an audit of skills, experience and diversity of background of its members to inform Trustee recruitment and training.

#### **Trustee Indemnity**

Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Charity. The cost of this insurance in the year has been included within total insurance costs.

## FULL FACT

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2022

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#### STATEMENT OF RESPONSIBILITIES

The Trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing those financial statements the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the applicable Charities SORP 2015 (FRS 102);
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

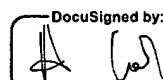
#### Disclosure to auditors

In so far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware and the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

#### Reappointment of auditor

The re-appointment of MHA as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

Report of the Trustees, approved by order of the Board of Trustees, as the company directors, on .04/07/2023..... and signed on the Board's behalf by:

DocuSigned by:  
  
.....CCB760C5B0164D7.....  
A Cook - Trustee

## **FULL FACT**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FULL FACT FOR THE YEAR ENDED 31 DECEMBER 2022**

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#### **Opinion**

We have audited the financial statements of Full Fact (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets, the Consolidated Statement of Cash Flows and Notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 December 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report.

We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Trustees' assessment of the entity's ability to continue to adopt the going concern basis of accounting included critical reviews of budgets and forecasts provided.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **FULL FACT**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FULL FACT FOR THE YEAR ENDED 31 DECEMBER 2022**

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#### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

#### **Matters on which we are required to report by exception**

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

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

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

#### **Responsibilities of Trustees**

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

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

#### **Auditor's responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

## FULL FACT

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FULL FACT FOR THE YEAR ENDED 31 DECEMBER 2022

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- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of management to identify any instances of known or suspected instances of fraud;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management about any instances of non-compliance with laws and regulations;
- Reviewing the design and implementation of control systems in place.
- Testing the operational effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

#### Use of this report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Stuart McKay BSc FCA DChA** (Senior Statutory Auditor)  
For and behalf of  
**MHA**  
Statutory Auditor  
London, United Kingdom

Date: 28/09/2023

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313).

**FULL FACT****CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2022**

		Unrestricted fund	Restricted funds	31.12.22 Total funds	31.12.21 Total funds
	Notes	£	£	£	£
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	1,643,534	187,665	1,831,199	1,903,756
Charitable activities	3	431,214	285,128	716,342	545,877
		<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total</b>		<b>2,074,748</b>	<b>472,793</b>	<b>2,547,541</b>	<b>2,449,633</b>
<b>EXPENDITURE ON</b>					
Charitable activities	4	1,835,901	444,070	2,279,971	2,228,709
Raising Funds	5	<u>217,847</u>	<u>-</u>	<u>217,847</u>	<u>181,210</u>
<b>Total</b>		<b>2,053,748</b>	<b>444,070</b>	<b>2,497,818</b>	<b>2,409,919</b>
		<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>NET INCOME/(EXPENDITURE)</b>		<b>21,000</b>	<b>28,723</b>	<b>49,723</b>	<b>39,714</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>1,266,919</b>	<b>-</b>	<b>1,266,919</b>	<b>1,227,205</b>
		<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b><u>1,287,919</u></b>	<b><u>28,723</u></b>	<b><u>1,316,642</u></b>	<b><u>1,266,919</u></b>

The notes form part of these financial statements

**FULL FACT****CONSOLIDATED BALANCE SHEET  
31 DECEMBER 2022**

		31.12.22 Total funds £	31.12.21 Total funds £
<b>FIXED ASSETS</b>	Notes		
Tangible assets	10	11,425	12,055
<b>CURRENT ASSETS</b>			
Debtors	11	99,928	59,765
Cash at bank		<u>1,572,744</u>	<u>2,054,960</u>
		1,672,672	2,114,725
<b>CREDITORS</b>			
Amounts falling due within one year	12	(367,455)	(859,861)
<b>NET CURRENT ASSETS</b>		<u>1,305,217</u>	<u>1,254,864</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,316,642	1,266,919
<b>NET ASSETS</b>		<u>1,316,642</u>	<u>1,266,919</u>
<b>FUNDS</b>	14		
Unrestricted funds		1,287,919	1,266,919
Restricted funds		<u>28,723</u>	-
<b>TOTAL FUNDS</b>		<u>1,316,642</u>	<u>1,266,919</u>

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

04/07/2023

The financial statements were approved by the Board of Trustees on ..... and were signed on its behalf by:

DocuSigned by:  
  
 CC8760C5B0184D7...  
 A Cook - Trustee

The notes form part of these financial statements

**FULL FACT****CHARITY BALANCE SHEET  
31 DECEMBER 2022**

		31.12.22 Total funds £	31.12.21 Total funds £
<b>FIXED ASSETS</b>	Notes		
Tangible assets	10	11,425	12,055
<b>CURRENT ASSETS</b>			
Debtors	11	455,993	364,261
Cash at bank		<u>942,728</u>	<u>1,444,636</u>
		1,398,721	1,808,897
<b>CREDITORS</b>			
Amounts falling due within one year	12	(359,336)	(864,226)
		<u>1,039,385</u>	<u>944,671</u>
<b>NET CURRENT ASSETS</b>			
		<u>1,039,385</u>	<u>944,671</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<u>1,050,810</u>	<u>956,726</u>
<b>NET ASSETS</b>			
		<u>1,050,810</u>	<u>956,726</u>
<b>FUNDS</b>	14		
Unrestricted funds		1,022,087	956,726
Restricted funds		<u>28,723</u>	<u>-</u>
<b>TOTAL FUNDS</b>		<u>1,050,810</u>	<u>956,726</u>

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

The financial statements were approved by the Board of Trustees on 04/07/2023 and were signed on its behalf by:

DocuSigned by:  

 DocuSign Envelope ID: 3A1A8233-7C38-4006-B82B-DCE920667522

A Cook - Trustee

**FULL FACT****CONSOLIDATED STATEMENT OF CASHFLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	31.12.22 £	31.12.21 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>(480,049)</u>	<u>379,852</u>
Net cash provided by operating activities		<u>(480,049)</u>	<u>379,852</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(3,185)	(12,600)
Proceeds from sale of tangible fixed assets		<u>1,018</u>	<u>-</u>
Net cash used in investing activities		<u>(2,167)</u>	<u>(12,600)</u>
		<u>          </u>	<u>          </u>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>(482,216)</b>	<b>367,252</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b><u>2,054,960</u></b>	<b><u>1,687,708</u></b>
<b>Cash and cash equivalents at the end of the reporting period</b>		<b><u><u>1,572,744</u></u></b>	<b><u><u>2,054,960</u></u></b>

The notes form part of these financial statements

**FULL FACT****NOTES TO THE STATEMENT OF CASHFLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2022****1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	31.12.22 £	31.12.21 £
<b>Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)</b>	49,723	39,714
<b>Adjustments</b>		
Depreciation charges	2,831	967
Profit on disposal of tangible assets	(34)	-
(Increase)/decrease in debtors	(40,163)	468,860
Decrease in creditors	<u>(492,406)</u>	<u>(129,689)</u>
<b>Net cash provided by operations</b>	<u>(480,049)</u>	<u>379,852</u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.1.22 £	Cash flow £	At 31.12.22 £
<b>Net cash</b>			
Cash at bank	<u>2,054,960</u>	<u>(482,216)</u>	<u>1,572,744</u>
<b>Total</b>	<u>2,054,960</u>	<u>(482,216)</u>	<u>1,572,744</u>

The notes form part of these financial statements

## **FULL FACT**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

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#### **1. ACCOUNTING POLICIES**

##### **Charity status**

Full Fact is a charity incorporated as a company limited by guarantee in England and Wales. The registered office is 17 Oval Way, London, SE11 5RR.

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

##### **Group accounts**

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the Charity alone as permitted by Section 408 of the Companies Act 2006 and paragraph 397 of the SORP. The surplus for the Charity alone for the year ended 31 December 2022 was £94,084.

##### **Going concern**

We have set out in the trustees report a review of the charity's performance and general reserves position. The board believes that we have adequate financial resources and are able to manage our business risks.

The board has a reasonable expectation that the charity has adequate financial resources to continue in operational existence for the foreseeable future. Accordingly, our accounts have been prepared on the basis that the charity is a going concern, as set out in the accounting policies note.

##### **Income**

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

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable are recognised when the charity becomes unconditionally entitled to the grant.

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the Charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

**FULL FACT****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022****1. ACCOUNTING POLICIES - continued****Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

**Support costs**

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the Charity and include project management. Where support costs cannot be directly attributed to particular headings, they have been allocated to expenditure on raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Governance costs are those incurred in connection with the running of the Charity and compliance with constitutional and statutory requirements.

**Donated services and facilities**

Donated professional services and donated facilities are recognised as income when the charity has control over them, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item, is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

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

**Fundraising costs**

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Costs of Generating Funds now include staff costs which can be attributed to fundraising activities. This primarily includes the posts of the Fundraising manager and two Philanthropy Officers on a pro-rate basis.

**Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**Pension contributions**

The charity makes contributions to employee's defined contribution pension plans. The pension cost is charged to the Statement of Financial Activities in the year and represents contributions payable by the charity to the pension fund.

## **FULL FACT**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2022**

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#### **1. ACCOUNTING POLICIES - continued**

##### **Operating leases**

Rentals under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

##### **Tangible fixed assets**

Tangible fixed assets are initially recorded at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses. Assets costing more than £500 individually and £1,000 for grouped assets are capitalised.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual value over their useful lives on the following basis:

Fixtures and fittings - 20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is credited or charged to the income statement.

##### **Financial Instruments**

##### **Basic financial assets**

Basic financial assets, which includes debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less, if not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

##### **Fund accounting**

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

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

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

**FULL FACT****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022****1A. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The preparation of financial statements in compliance with FRS102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Party's accounting policies.

No significant judgements, further to that surrounding going concern, have been made by management in preparing these financial statements.

**2. DONATIONS AND LEGACIES**

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Donations from individuals and institutions	1,594,284	187,665	1,781,949	1,903,756
Gifts in Kind	49,250	-	49,250	-
	<u>1,643,534</u>	<u>187,665</u>	<u>1,831,199</u>	<u>1,903,756</u>

**3. INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Public Education	<u>431,214</u>	<u>285,128</u>	<u>716,342</u>	<u>545,877</u>

**4. CHARITABLE ACTIVITIES COSTS**

	Staff Costs £	Direct Costs £	Support Costs (see below) £	Total 2022 £
Public Education	<u>1,734,739</u>	<u>515,217</u>	<u>30,015</u>	<u>2,279,971</u>

	Staff Costs £	Direct Costs £	Support Costs (see below) £	Total 2021 £
Public Education	<u>1,462,729</u>	<u>751,983</u>	<u>13,997</u>	<u>2,228,709</u>

**FULL FACT****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022****4. CHARITABLE ACTIVITIES COSTS - continued**

<b>Support costs</b>	<b>31.12.22</b>	<b>31.12.21</b>
	£	£
Audit fees	19,076	10,812
Legal and professional	5,491	2,993
Governance	5,448	192
	<u>30,015</u>	<u>13,997</u>

**5. COSTS OF RAISING FUNDS**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total 2022</b>	<b>Total 2021</b>
	£	£	£	£
Staff Costs	<u>217,847</u>	<u>-</u>	<u>217,847</u>	<u>181,210</u>

**6. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	<b>31.12.22</b>	<b>31.12.21</b>
	£	£
Depreciation - owned assets	2,831	966
Auditor's remuneration	19,050	10,000
Gain on asset disposals	<u>(34)</u>	<u>-</u>

**7. TRUSTEES' REMUNERATION AND BENEFITS**

There were no Trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

**Trustees' expenses**

There were no Trustees' expenses paid for the year ended 31 December 2022 nor for the year ended 31 December 2021.

**FULL FACT****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022****8. STAFF COSTS**

	31.12.22	31.12.21
	£	£
Wages and salaries	1,643,198	1,385,862
Social security costs	170,815	149,291
Pensions costs	35,222	30,276
Other costs	103,351	78,510
	<u>1,952,586</u>	<u>1,643,939</u>

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

	31.12.22	31.12.21
Public Education	32	27
Generating Funds	4	4
	<u>36</u>	<u>31</u>

**Highest Paid Employees**

8 (2021: 5) employees received emoluments of more than £60,000 during the year of which is broken down as:

	31.12.22	31.12.21
£90,000 - £99,999	1	-
£80,000 - £89,999	-	1
£70,000 - £79,999	1	-
£60,000 - £69,999	6	4

**Key Management Personnel**

The Key Management Personnel in 2022 were CEO, COO, Head of Automated Fact Checking, Head of Fundraising, Head of Communications, Head of Policy & Advocacy and Editor. The total amount of employee benefits (including employer's national insurance contributions) received by Key Management Personnel is £559,864 (2021: £466,108).

**FULL FACT****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022****9. COMPARATIVES FOR THE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	1,683,255	220,501	1,903,756
Charitable activities	<u>486,243</u>	<u>59,634</u>	<u>545,877</u>
<b>Total</b>	<b>2,169,498</b>	<b>280,135</b>	<b>2,449,633</b>
 <b>EXPENDITURE ON</b>			
Charitable activities	1,940,291	288,418	2,228,709
Raising Funds	<u>181,210</u>	<u>-</u>	<u>181,210</u>
<b>Total</b>	<b>2,121,501</b>	<b>288,418</b>	<b>2,409,919</b>
 <b>NET INCOME/(EXPENDITURE)</b>	<b>47,997</b>	<b>(8,283)</b>	<b>39,714</b>
 <b>RECONCILIATION OF FUNDS</b>			
 Total funds brought forward	 1,218,922	 8,283	 1,227,205
 <b>TOTAL FUNDS CARRIED FORWARD</b>	 <u><u>1,266,919</u></u>	 <u><u>-</u></u>	 <u><u>1,266,919</u></u>

**FULL FACT****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022****10. TANGIBLE FIXED ASSETS**

All fixed assets belong to the charity.

	Fixtures and fittings £
<b>COST</b>	
At 1 January 2022	57,557
Additions	3,185
Disposals	<u>(1,018)</u>
At 31 December 2022	<u>59,724</u>
<b>DEPRECIATION</b>	
At 1 January 2022	45,502
Charge for year	2,831
Depreciation on disposals	<u>(34)</u>
At 31 December 2022	<u>48,299</u>
<b>NET BOOK VALUE</b>	
At 31 December 2022	<u>11,425</u>
At 31 December 2021	<u>12,055</u>

**11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.22		31.12.21	
	£	£	£	£
	Group	Charity	Group	Charity
Trade debtors	55,182	281,746	55,992	235,267
Amounts owed by group undertakings	-	120,453	-	125,221
Other debtors	518	518	328	328
Accrued income	25,000	25,000	-	-
Prepayments	19,229	19,229	3,445	3,445
	<u>99,928</u>	<u>455,993</u>	<u>59,765</u>	<u>364,261</u>

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.22		31.12.21	
	£	£	£	£
	Group	Charity	Group	Charity
Trade creditors	22,662	22,525	135,845	135,821
Social security and other taxes	7,019	4,887	2,995	7,634
Other creditors	7,019	6,769	6,204	5,954
Deferred income	285,128	285,128	701,867	701,867
Accrued expenses	45,627	40,026	12,950	12,950
	<u>367,455</u>	<u>359,335</u>	<u>859,861</u>	<u>864,226</u>

**FULL FACT****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022****12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued**

<b>Analysis of movement in deferred income</b>	<b>31.12.22</b>	<b>31.12.21</b>
	<b>£</b>	<b>£</b>
Brought forward	701,867	830,397
Released in the year	(701,867)	(830,397)
Deferred in the year	285,128	701,867
	<u>285,128</u>	<u>701,867</u>

**Defined contribution pension scheme**

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £35,222 (2021 - £30,276).

**13. LEASING ARRANGEMENTS**

<b>Minimum lease payments under non-cancellable operating leases fall due as follows:</b>	<b>31.12.22</b>	<b>31.12.21</b>
	<b>£</b>	<b>£</b>
Within one year	95,414	-
Between one and five years	24,891	-
After more than 5 years	-	-
	<u>120,305</u>	<u>-</u>

**14. MOVEMENT IN FUNDS****Group & Charity**

	<b>At 1.1.22</b>	<b>Net movement in funds</b>	<b>At 31.12.22</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Unrestricted funds</b>			
General fund	1,266,919	21,000	1,287,919
<b>Restricted funds</b>			
Calouste Gulbenkian Foundation	-	24,232	24,232
Gill Family Foundation	-	4,491	4,491
	<u>-</u>	<u>28,723</u>	<u>28,723</u>
<b>TOTAL FUNDS</b>	<u>1,266,919</u>	<u>49,723</u>	<u>1,316,642</u>

**FULL FACT****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022****14. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	2,024,748	(2,003,748)	21,000
Joseph Rowntree Charitable Trust	50,000	(50,000)	-
	<u>2,074,748</u>	<u>(2,053,748)</u>	<u>21,000</u>
<b>Restricted funds</b>			
The European Journalism Centre	4,292	(4,292)	-
Nuffield Foundation (2022-25)	100,000	(100,000)	-
Calouste Gulbenkian Foundation	31,859	(7,627)	24,232
Newton and Rochelle Becker Trust	40,514	(40,514)	-
The Evan Cornish Foundation	5,000	(5,000)	-
Gill Family Foundation	6,000	(1,509)	4,491
Tides Foundation (Google)	<u>285,128</u>	<u>(285,128)</u>	<u>-</u>
	<u>472,793</u>	<u>(444,070)</u>	<u>28,723</u>
<b>TOTAL FUNDS</b>	<u><u>2,547,541</u></u>	<u><u>(2,497,818)</u></u>	<u><u>49,723</u></u>

**FULL FACT****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022****14. MOVEMENT IN FUNDS - continued****Comparatives for movement in funds**

	At 1.1.21	Net movement in funds	At 31.12.21
<b>Unrestricted funds</b>			
General fund	1,218,922	47,997	1,266,919
<b>Restricted funds</b>			
IFCN YouTube grant	<u>8,283</u>	<u>(8,283)</u>	-
	<u>8,283</u>	<u>(8,283)</u>	-
<b>TOTAL FUNDS</b>	<u>1,227,205</u>	<u>39,714</u>	<u>1,266,919</u>

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	2,169,498	(2,121,501)	47,997
<b>Restricted funds</b>			
Highway One Trust	10,000	(10,000)	-
Facebook Fellowship	59,634	(59,634)	-
Nuffield Foundation	100,000	(100,000)	-
IFCN YouTube	17,065	(25,348)	(8,283)
IFCN WhatsApp	53,737	(53,737)	-
IFCN NED	26,577	(26,577)	-
Google DNI	<u>13,122</u>	<u>(13,122)</u>	-
	<u>280,135</u>	<u>(288,418)</u>	<u>(8,283)</u>
<b>TOTAL FUNDS</b>	<u>2,449,633</u>	<u>(2,409,919)</u>	<u>39,714</u>

## FULL FACT

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2022

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#### 15. FUNDS

##### UNRESTRICTED FUNDS

###### **Joseph Rowntree Charitable Trust**

The Joseph Rowntree Charitable Trust provides core funding to Full Fact as part of their Power and Accountability grant programme.

##### RESTRICTED FUNDS

###### **The Tides Foundation (Google)**

The Google.org Charitable Giving Fund, through The Tides Foundation, is supporting the development of our AI-powered tools, which are designed to identify and address the spread of misinformation.

###### **The European Journalism Centre**

The GNI Student Fellowship is a programme managed by the European Journalism Centre in partnership with the Google News Initiative. This programme contributed to the costs of hosting a student fellow in our automated fact checking team, supporting a project around claim identification in online media.

###### **Nuffield Foundation (2022-25)**

The Nuffield Foundation is supporting our editorial team to fact check claims and seek corrections. The grant is also funding an annual report on the quality of information in the UK and what everyone - from government, tech companies, journalists and citizens - can do to help improve the honesty and accuracy of public debate.

###### **Calouste Gulbenkian Foundation**

The European Media and Information Fund, administered by Calouste Gulbenkian Foundation, is supporting our health fact checking through their Boosting Fact Checking Activities in Europe programme. This grant supports the addition of a qualified doctor to our fact checking team.

###### **Newton and Rochelle Becker Trust**

Through this grant, the Newton and Rochelle Becker Trust have supported the Preparation and Dissemination of Full Fact's Automated Fact Checking Technology to Organizations that are Located in the US or Working to Counter Hate Including Antisemitism.

###### **The Evan Cornish Foundation**

The Evan Cornish Foundation is supporting our Policy and Advocacy team's campaigning on the Online Safety Bill, with a focus on promoting changes to the Bill that will effectively counter the harms of misinformation while protecting freedom of expression.

###### **Gill Family Foundation**

This donation from the Gill Family improves our use of video on social media, including providing new equipment and facilities for creating high quality video content.

**FULL FACT****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2022****16. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds	Restricted funds	Total 2022	Unrestricted funds	Restricted funds	Total 2021
	£	£	£	£	£	£
Tangible fixed assets	11,425	-	11,425	12,055	-	12,055
Net current assets	1,276,494	28,723	1,305,217	1,254,864	-	1,254,864
	<u>1,287,919</u>	<u>28,723</u>	<u>1,316,642</u>	<u>1,266,919</u>	<u>-</u>	<u>1,266,919</u>

**17. RELATED PARTY DISCLOSURES**

In the year ended 31 December 2022 the Charity received donations totalling £10,000 from Mr W M J De Winton, who was appointed to the Board of Trustees on 29th March 2022.

During the year, the charity recharged salary costs to Full Fact Services Limited amounting to £281,746 (2021: £197,155). The charity received a donation from the company amounting to £174,274 (2021: £296,046). As at the year end, the charity was owed £281,746 (2021: £197,155).