

ETHICAL GIVING LIMITED

Accounts – 30th September 2019

ETHICAL GIVING LIMITED

(A company limited by guarantee and not having a share capital)

Charity number: 1131343
Company number: 6956432

Accounts – 30th September 2019

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ETHICAL GIVING LIMITED

**REPORT OF THE TRUSTEES
for the year ended 30th September 2019**

The trustees are pleased to present their annual report and financial statements of the charitable company for the year ended 30th September 2019 which are also prepared to meet the requirements for a directors' 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 the Republic of Ireland (FRS 102) (effective 1st January 2015).

Reference and Administration Details

The charity's name is Ethical Giving Limited.

Charity Registration Number: 1131343

Company Number: 6956432

Registered Office: Third Floor, Formal House, 60 St George's Place, Cheltenham GL50 3PN

Trustees

The Trustees of the charitable company are its Directors for the purposes of company law. The trustees who served during the year and since the year end were as follows:

L E Hughes	(appointed 1st December 2018)
J C Burden	(appointed 1st December 2018)
J Hardie	(appointed 1st December 2018)
L V Coates	(resigned 1st December 2018)
M Head	(resigned 1st December 2018)
S Coates	(resigned 1st December 2018)

Objectives and Activities

The main objects of the charity are: the provision of such grants, donations and loans for individuals or such charitable associations and other bodies and organisations for application towards charitable purposes as the trustees in their absolute discretion shall think fit.

The charity applies its income to make grants to individuals or organisations for ethical, social, environmental, animal welfare and other charitable causes.

In planning the activities of the charitable company the trustees have considered the Charity Commission's guidance on public benefit. The income of the charity is applied to various charitable purposes that the trustees in their absolute discretion think fit and can encompass a range of purposes for the public benefit.

Achievements and Performance

The latter end of this year saw a significant change in the structure of the Trust with a new Board of Trustees who are independent of Ethical Investors. The new Board reviewed the approach to grant making and made various changes in the approach of the Trust. The Trust will no longer accept grant applications; it will decide on the themes that it wishes to support and focus funding in that direction. This, of course, does not affect funds that are donated by clients of Ethical Investors who specify their own recipients.

Donations from Ethical Investors were up on previous years and it is hoped that this will continue to grow. Once again, donations from individuals increased allowing Ethical Giving to fund recipients on their behalf anonymously if preferred. More clients confirmed Ethical Giving as their nominated charity in their Wills.

REPORT OF THE TRUSTEES
for the year ended 30th September 2019 (Continued)

Financial Review

The total income for the year was £130,533 and total expenditure on charitable activities amounted to £115,005. The balance on reserves at the year end was £32,013.

The main source of income for the Charity was donations.

Investment Policy

Ethical Giving does not have need to invest funds. Monies donated to the Trust tend to be distributed in the same year. It would not be appropriate to invest monies as the funds received are for onward donation.

Reserves Policy

The Trust does not employ staff and its administrative costs are largely met by Ethical Investors. Ethical Giving is a grant making Trust with funds coming from either corporate or individual donations. Reserves to cover on going costs in the event of significant changes are therefore not necessary. A small percentage is charged to individuals making donations through Ethical Giving which more than covers costs. Funds remaining in this account will be redistributed at year end into our donations account.

Structure, Governance and Management

Governing Document

Ethical Giving is a company limited by guarantee governed by its Memorandum and Articles of Association dated 8th July 2009 as amended 28th July 2009. It is registered as a charity with the Charity Commission. Members of the charitable company guarantee to contribute amounts not exceeding £10 to the assets of the charitable company in the event of winding up.

Appointment of Trustees

The trustees keep the composition of the board under review and will seek to appoint additional members with appropriate skills and expertise should the need arise. Interested parties are given details of the background of the charitable company in order to make them aware of current activities. New trustees will be selected from people with an interest in the charity.

This report has been prepared in accordance with the special provisions relating to companies subject to the Small Companies Regime within part 15 of the Companies Act 2006.

Approved by the trustees on 3rd April 2020 and signed on its behalf by:

L Hughes - Trustee

Cheltenham

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

I report to the trustees on my examination of the accounts of Ethical Giving Limited for the year ended 30th September 2019.

Responsibilities and Basis of Report

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

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

Independent Examiner's Statement

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

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

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

MDA Gyde FCA DChA
A J Carter & Co
Chartered Accountants

22b High Street
Witney
Oxon
OX28 6RB

10th April 2020

Statement of Financial Activities
(including an income and expenditure account)
for the year ended 30th September 2019

	Note	Total Unrestricted Funds 2019 £	Total Unrestricted Funds 2018 £
Income from:			
Donations	3	130,523	101,011
Investments	4	<u>10</u>	<u>5</u>
Total incoming resources		<u>130,533</u>	<u>101,016</u>
Expenditure on:			
Charitable activities	5	<u>115,005</u>	<u>101,044</u>
Total expenditure		<u>115,005</u>	<u>101,044</u>
Net income/(expenditure) and net movement in funds for the year before gains and losses on investments		15,528	(28)
Net loss on investment assets		<u>-</u>	<u>(8,642)</u>
Net movement in funds		15,528	(8,670)
Reconciliation of funds			
Total funds brought forward		<u>16,485</u>	<u>25,155</u>
Total funds carried forward		<u><u>£32,013</u></u>	<u><u>£16,485</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

The notes on pages 6 to 10 form part of these financial statements

ETHICAL GIVING LIMITED

5.

**BALANCE SHEET
as at 30th September 2019**

	Note	2019 £	2018 £
Current assets			
Investments	10	26,608	15,668
Cash at bank and in hand		<u>5,867</u>	<u>1,249</u>
Total current assets		32,475	16,917
Liabilities			
Creditors falling due within one year	11	<u>462</u>	<u>432</u>
Net current assets		32,013	16,485
Total assets less current liabilities		32,013	16,485
Total net assets		<u>£32,013</u>	<u>£16,485</u>
The funds of the Charity			
Unrestricted income funds	12	<u>32,013</u>	<u>16,485</u>
Total unrestricted funds		<u>32,013</u>	<u>16,485</u>
Total charity funds		<u>£32,013</u>	<u>£16,485</u>

For the year ended 30th September 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors Responsibilities

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and

The directors acknowledge their responsibilities for complying with the requirements of the act with respect to the accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the special provisions relating to companies subject to the Small Companies Regime within part 15 of the Companies Act 2006.

These accounts were approved by the board of directors and authorised for issue on: 3rd April 2020 and are signed on their behalf by:

L Hughes - Director

The notes on pages 6 to 10 form part of these financial statements

NOTES TO THE ACCOUNTS
for the year ended 30th September 2019

1. **Accounting Policies**

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

a) **Basis of Preparation**

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charitable company constitutes a public benefit entity as defined by FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

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

b) **Income Recognition Policies**

Items of income are recognised and included in the accounts when all of the following criteria are met:

- The charity has entitlement to the funds;
- any performance conditions attached to the items of income have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

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

c) **Donated Services and Facilities**

In accordance with the Charities SORP (FRS 102) the general time of volunteers is not recognised in the accounts.

d) **Interest Receivable**

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

e) **Fund Accounting**

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity. Designated funds are unrestricted funds of the Charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for the particular areas of the Charity's work or for specific projects being undertaken by the Charity.

NOTES TO THE ACCOUNTS
for the year ended 30th September 2019 (continued)

f) **Expenditure and Irrecoverable VAT**

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

Expenditure on charitable activities includes the cost of making grants to individuals and organisations for charitable purposes.

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

g) **Debtors**

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

h) **Cash at Bank and in Hand**

Cash at bank and cash in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

i) **Creditors and Provisions**

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

j) **Investments**

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year. The main form of risk faced by the Charity is that of volatility in equity markets and investment markets due to wider economic conditions.

k) **Realised Gains and Losses**

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealized investment gains and losses are combined in the Statement of Financial Activities.

2. **Legal Status of the Charity**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.

NOTES TO THE ACCOUNTS
for the year ended 30th September 2019 (continued)

3. **Income from donations**

	2019	2018
	Unrestricted	Unrestricted
	£	£
Gifts and donations	130,523	101,011
	<u>£130,523</u>	<u>£101,011</u>

4. **Investment income**

All of the Charity investment income arises from money held on deposit at Lloyds bank.

5. **Analysis of expenditure on charitable activities**

	Grant making	2019 Unrestricted Total	2018 Unrestricted Total
	£	£	£
Grants and donations	114,356	114,356	100,492
Bank charges and admin	188	188	120
Accountancy	462	462	432
Total	<u>£115,005</u>	<u>£115,005</u>	<u>£101,044</u>

6. **Analysis of grants**

	Grants to individuals Total	Grants to institutions Total
	£	£
Grants in respect of Human and Environmental welfare	<u>5,649</u>	<u>108,707</u>

Recipients of institutional grants

Grants to Institutions over £5,000 in the year were as follows

	£
Severn Hospice	18,562
Village Water	18,562
Edinburgh Sculpture Workshop	11,906
Tinderbox	6,000
Kulungile	5,000

NOTES TO THE ACCOUNTS
for the year ended 30th September 2019 (continued)

7. Net income/(expenditure) for the year

	2019	2018
	£	£
<i>This is stated after charging:</i>		
Accountancy and independent examiners fees	<u>462</u>	<u>432</u>

8. Analysis of staff costs, trustee remuneration and expenses and related party transactions

	2019	2018
	£	£
Salaries and wages	<u>£-</u>	<u>£-</u>

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2018: £Nil) neither were they reimbursed expenses during the year (2018: £Nil). No charity trustee received payment for professional or other services supplied to the charity (2018: £Nil).

There are no other related party transactions that require disclosure.

9. Corporation tax

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

10. Current asset investments

	2019	2018
	£	£
Cash on deposit	<u>26,608</u>	<u>15,668</u>
	<u>£26,608</u>	<u>£15,668</u>

11. Creditors: amounts falling due within one year

	2019	2018
	£	£
Accruals	<u>462</u>	<u>432</u>
	<u>£462</u>	<u>£432</u>

NOTES TO THE ACCOUNTS
for the year ended 30th September 2019 (continued)

12. **Analysis of charitable funds**

Analysis of movements in unrestricted funds

	Balance 01.10.2018 £	Incoming resources £	Resources expended £	Funds 30.09.2019 £
General fund	16,485	130,533	(115,005)	32,013
Total	£16,485	£130,533	£(115,005)	£32,013

Name of unrestricted fund

General fund