

REPCE

Charity number 1158972

Annual Report and Financial Statements
for the year ended 31 March 2020



West Yorkshire Community Accounting Service

REPCE

**Annual Report and Financial Statements
for the year ended 31 March 2020**

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Prepared by West Yorkshire Community Accounting Service

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Trustees' report for the year ended 31 March 2020

Reference and administrative details of the charity, its trustees and advisors

The trustees during the financial year and up to and including the date the report was approved were:

Name	Position	Dates
Aoife O'Leary	Chair	
Dara Leyden	Treasurer	Resigned August 2020
Christine Berry		
Ben Pringle		
Joseph Proctor		
Sofie Jenkinson		
Juliet Michaelson		
Antonia Jennings		

Charity number	1158972	Registered in England and Wales
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Registered and principal address	Bankers
22A Beswick Street	Triodos Bank NV
Ancoats	Deanery Road
Manchester M4 7HR	Bristol BS1 5AS

Independent examiner

Simon Bostrom FCIE

West Yorkshire Community Accounting Service

Stringer House
34 Lupton Street
Leeds
LS10 2QW

Structure, governance and management

The Charitable Incorporated Organisation (CIO) Foundation is governed by a trust document and was formed on 24 October 2014.

Rethinking Economics and its trustees are bound by its foundation constitution. The names of the trustees who served during the year are set out above.

Rethinking Economics has set up a committee structure of six committees consisting of trustees, staff members and student organisers in order to allow for student organisers to remain a central part of the charity's decision making (as they were before Rethinking was incorporated as a charity). The rules governing committees are set out in the committee's terms of reference document. The six committees are finance and funding, membership, communications, public education, UK campaigns and the organisers committee. The staff and committees are managed and overseen by the Director.

Rethinking Economics has a fully operational financial management controls policy (last updated September 2017).

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Trustees' report (continued) for the year ended 31 March 2020

Method of recruitment and appointment of trustees

Regular reviews are undertaken to assess the skills of the current trustees and identify any areas that need to be strengthened.

New trustees are appointed by existing trustees through an application process.

The charity's objects

The object of the CIO is to advance education in economics for the public benefit.

The charity's main activities

The activities outlined below have been undertaken by the Charity as the means by which to “advance education in economics”. This is divided into two main spheres: our work within universities and our work outside of universities.

Public benefit statement

In setting our objectives and planning our activities our Trustees have given serious consideration to the Charity Commission’s general guidance on public benefit and in particular the advancement of education and promoting a pluralist economics curriculum that better serves people and planet.

Achievements and performance

The Rethinking Economics Network has grown to over 100 groups in over 30 countries around the world with new networks having formed in France, India, Peru, Uganda and the Philippines to name just a few. These groups continue to run events and campaigns in their local areas and institutions of study as well as engaging in global projects in the network. We have also developed new training programmes that focus on improving Rethinkers’ advocacy and campaigning skills.

The Nordic Coordinator organised our first Nordic Gathering. It was held in Kolmården, Sweden, and brought together 24 Rethinkers from across the Nordics. Over the weekend, there were sessions on the need for curriculum reform, strategic campaigning and pluralism. It was an incredible weekend and lasting relationships were formed. Other highlights from the Nordic Network include setting up three local-level groups in Sweden to work with the national board (RE Stockholm, RE Gothenburg and RE Linköping), the Danish local groups getting together during Kritisker Politter’s annual conference to form a national strategy, and the groundwork being laid for starting RE Finland.

We convened a European Gathering that took place in Homburg, Germany, in November and was attended by 50 Rethinkers. The programme consisted of interactive workshops along with talks by Katherine Trebeck of the Wellbeing Economy Alliance and Ingrid Harvold Kvangraven of the D-Econ group. It also facilitated the first in-person meeting of Economists for Future – a campaign to ask the discipline of economics to act on climate change.

Between the 4th and 6th of December, representatives of the groups in the De America Soy network met in Quito, Ecuador, as part of the Latin America festival scoping exercise. In the lead up to this event, Jacobo Castellanos, a member of the Disrupting Economics group, had conducted desk and primary research in order to understand wider dynamics that the festival will have on the New Economy movement and academia in Latin America. This came together to form a project report laying out the plans for ‘Festival Latinoamericano de Economía Heterodoxa’.

To chart the "leaky pipeline" of diversity in economics, our Research Manager and Researcher completed the delivery of qualitative research training to 19 economics students worldwide, analysed peer-to-peer interview data 14 of them collected with students from underrepresented backgrounds in economics, as well as conduct and analyse interview data with 17 professionals in economics internationally (also from people with underrepresented identities in this field). They wrote up our research data analysis of 61 interviews in total, as well as focus group research with 50 disadvantaged young people in London aged 13-17 who presented their views of economics and economists. Collaborators for the book were sourced which included scholars who specialise in diversifying and decolonising economics (4 women, 1 man, 4 of whom are from the Majority World) and they submitted draft contributions, while Joe Earle (co-author of The Econocracy), provided expertise on democratising economics and collaborative book writing.

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Trustees' report (continued) for the year ended 31 March 2020

Achievements and performance continued

The Rethinking the Role of Banks action circle ran a fruitful open letter campaign. The letter argued that university students should be taught the credit creation theory of banking (endogenous money theory) rather than the present teachings that banks are simply intermediaries that move existing money around. There were 61 signatories from civil society and academia, and 27 student groups got involved in the campaign.

Financial review

The net expenditure for the year was £18,493, including net income of £50,990 on unrestricted funds and net expenditure of £69,483 on restricted funds.

Reserves policy

The Board of Trustees will consider the level of reserves that is prudent for REPCE to have at its first Board meeting of each new financial year. Consideration will be given to redundancy liabilities, lease agreements and any other significant factors that should be taken into account were Rethinking Economics to close. The document REPCE Windup Costs will be used as a guide to determine the best level of reserves for any particular financial year but it is advised that the limits should be within the following range.

The Lower Limit is the windup costs of 2 months salaries, liabilities and any redundancy payments. The Upper Limit is 6 months running costs. The Strategic Aim is the mean of these two numbers. For the year ended 31 March 2019 the lower limit was £47k, upper limit £207k and strategic aim being £127k. We moved closer to our strategic aim with £65,000 in reserves for the financial year 19/20.

The REPCE Windup Costs calculations should be updated at least once a year by one of the Staff Treasurers to ensure that the level of reserves agreed at the start of the year doesn't drop below our lower limit. As a charity we should try to avoid keeping more than 6 months running costs so we can better support our beneficiaries.

It is the responsibility of the Trustee Treasurer to scrutinize Finance and Funding reports to ensure that these limits aren't breached for good reason. Each year we should aim to increase our reserves to a value closer to our Strategic Aim. However, it should be noted that as the organisation grows so will the lower limit and the upper limit.

The charity's free reserves, excluding fixed assets, at the year end were £67,115.

Covid 19 and going concern

Whilst the activities of the charity have been affected by the Covid 19 pandemic, the trustees have considered the financial position of the charity and are satisfied that there are not material uncertainties so significant as to cast doubt over the ability of the charity to continue as a going concern.

Signed on behalf of the board of trustees:

Signed.....Aoife O'Leary..... (Trustee)

Date.....17 December 2020.....

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Independent examiner's report to the trustees of REPCE

I report to the charity trustees on my examination of the accounts of the CIO for the year ended 31 March 2020, which are set out on pages 6 to 13.

Responsibilities and basis of report

As the charity trustees of the CIO you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the CIO's accounts as carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since the CIO's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act.

I confirm that I am qualified to undertake the examination because I am a fellow of ACIE which is one of the listed bodies.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the Charities Act;
- 2 the accounts do not accord with those records; or
- 3 the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

Signed:Simon Bostrom.....

Relevant professional qualification or body: FCIE

Date:18 December 2020.....

West Yorkshire Community Accounting Service

Stringer House
34 Lupton Street
Leeds
LS10 2QW

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Statement of Financial Activities

(including summary income and expenditure account)

for the year ended 31 March 2020

	Notes	2020 Unrestricted funds £	2020 Restricted funds £	2020 Total funds £	2019 Total funds £
Income from:					
Grants and donations	(2)	176,609	112,484	289,093	273,219
Sales and fees		3,509	-	3,509	350
Bank interest		74	-	74	78
Total income		<u>180,192</u>	<u>112,484</u>	<u>292,676</u>	<u>273,647</u>
Expenditure on:					
Staffing costs					
Salaries and NIC	(3)	96,125	58,066	154,191	139,000
Freelance workers		15,862	46,553	62,415	30,053
Training		300	3,420	3,720	4,975
Travel and subsistence		67	18,360	18,427	13,221
Project delivery					
Research		-	6,966	6,966	651
Events		-	11,060	11,060	7,658
Travel		-	10,352	10,352	44,902
Administrative expenditure					
Advertising and marketing		-	2,958	2,958	7,001
IT software and consumables		-	7,563	7,563	2,328
Postage and delivery		-	321	321	376
Printing and stationery		-	1,710	1,710	10,751
Telephone and internet		-	418	418	326
Independent examination		720	-	720	720
Bank charges		-	210	210	144
Legal and professional		-	7,407	7,407	12,591
Memberships and subscriptions		-	392	392	1,175
Advisory board travel		-	-	-	62
Trustees travel		1,213	850	2,063	1,350
Premises expenditure					
Premises costs		12,350	4,793	17,143	14,154
Insurance		-	568	568	1,708
Depreciation		2,565	-	2,565	1,883
Total expenditure		<u>129,202</u>	<u>181,967</u>	<u>311,169</u>	<u>295,029</u>
Net income / (expenditure)		<u>50,990</u>	<u>(69,483)</u>	<u>(18,493)</u>	<u>(21,382)</u>
Fund balances brought forward		<u>21,058</u>	<u>141,837</u>	<u>162,895</u>	<u>184,277</u>
Fund balances carried forward	(4)	<u>72,048</u>	<u>72,354</u>	<u>144,402</u>	<u>162,895</u>

All incoming resources and resources expended derive from continuing activities.

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Balance sheet

as at 31 March 2020

	2020	2020	2020	2019
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Fixed assets				
Tangible assets	(5) 4,933	-	4,933	5,216
Total fixed assets	<u>4,933</u>	<u>-</u>	<u>4,933</u>	<u>5,216</u>
Current assets				
Debtors and prepayments	(6) 77	75,122	75,199	3,164
Cash at bank and in hand	(7) 71,507	(2,768)	68,739	163,583
Total current assets	<u>71,584</u>	<u>72,354</u>	<u>143,938</u>	<u>166,747</u>
Current liabilities: amounts falling due within one year				
Creditors and accruals	(8) 4,469	-	4,469	9,068
Total current liabilities	<u>4,469</u>	<u>-</u>	<u>4,469</u>	<u>9,068</u>
Net current assets / (liabilities)	<u>67,115</u>	<u>72,354</u>	<u>139,469</u>	<u>157,679</u>
Net assets	<u>72,048</u>	<u>72,354</u>	<u>144,402</u>	<u>162,895</u>
Funds				
Unrestricted funds	72,048	-	72,048	21,058
Restricted funds	-	72,354	72,354	141,837
Total funds	<u>72,048</u>	<u>72,354</u>	<u>144,402</u>	<u>162,895</u>

The financial statements were approved by the board of trustees on

Date:17 December 2020.....

Signed:Aoife O'Leary.....

(Trustee)

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Notes to the accounts for the year ended 31 March 2020

1 Accounting policies

Basis of accounting

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. 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) (effective 1 January 2019) and with the Charities Act 2011.

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

There has been no change to the accounting policies since last year.

No changes have been made to the accounts for previous years.

Going concern

The trustees are satisfied that there are no material uncertainties about the charity's ability to continue.

Incoming resources

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity becomes entitled to the resources, it is more likely than not that the trustees will receive the resources and the monetary value can be measured with sufficient reliability.

Grants and donations

Grants and donations are only included in the SOFA when the charity has unconditional entitlement to the resources.

Where grants are related to performance and specific deliverables, they are accounted for as the charity earns the right to consideration by its performance.

Expenditure and liabilities

Expenditure is recognised on an accrual basis as a liability is incurred. Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out the resources and the amount of the obligation can be measured with reasonable certainty.

Taxation

As a charity the organisation benefits from rates relief and is generally exempt from income tax and capital gains tax but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

Tangible fixed assets

Tangible fixed assets are capitalised and included at cost including any incidental expenses of acquisition. In the case of computer equipment, items costing in excess of £250 are capitalised. Gifted Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

Project and office equipment: 25%

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Notes to the accounts for the year ended 31 March 2020

1 Accounting policies continued

Pensions

The charity operates a defined contribution scheme for the benefit of its employees. The costs of contributions are recognised in the year they are payable.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

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

Leases

Rents under operating leases are charged on a straight line basis over the lease term or to an earlier date if the lease can be determined without financial penalty.

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Notes to the accounts continued for the year ended 31 March 2020

2 Grants and donations	2020	2020	2020	2019
	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
Foundation to Promote Open Society (OSF)	-	37,362	37,362	93,743
Friends Provident Foundation grant	122,616	-	122,616	47,385
Marisla Foundation	-	-	-	22,329
Joseph Rowntree Charitable Trust grant (JRCT)	52,500	-	52,500	40,000
KR Foundation	-	75,122	75,122	57,766
Polden Puckham Charitable Trust	-	-	-	5,000
Barrow Cadbury Trust	-	-	-	3,095
Other donations	1,493	-	1,493	3,901
	<u>176,609</u>	<u>112,484</u>	<u>289,093</u>	<u>273,219</u>

3 Staff costs and numbers	2020	2019
	£	£
Gross salaries	142,858	120,098
Social security costs	8,382	7,156
Pensions	2,951	1,746
Other staffing costs	-	10,000
	<u>154,191</u>	<u>139,000</u>

The average number employees during the year was 6.7, being an average of 5.5 full time equivalent (2019: 5.7, 4.8 FTE). There were no employees with emoluments above £60,000.

Defined contribution pension scheme	2020	2019
	£	£
Costs of the scheme to the charity for the year	2,951	1,746
Amount of any contributions outstanding at the year end	521	442

4 Restricted funds	Balance b/f	Incoming	Outgoing	Transfers	Balance c/f
	£	£	£	£	£
KR Foundation	58,344	16,300	74,593	-	51
KR Foundation	-	58,822	13,574	-	45,248
OSF Women's Rights Programme	83,493	-	56,438	-	27,055
OSF Women's Rights Programme	-	18,414	18,414	-	-
OSF New Executive Fund	-	18,948	18,948	-	-
	<u>141,837</u>	<u>112,484</u>	<u>181,967</u>	<u>-</u>	<u>72,354</u>

Fund name	Purpose of restriction
KR Foundation	For Rethinking Economics activities in the Nordics.
KR Foundation	Towards the extension of the Nordic Coordinator's contract along with supporting actives in the Nordics and Economists4Future. The balance on the fund is a debtor balance as a consequence of recognising the full grant awarded, in accordance with the Charities SORP FRS102.
OSF Women's Rights Programme	To fund writing a book on diversity in economics.
OSF Women's Rights Programme	To carry out a scoping exercise on holding a conference in Latin America.
OSF New Executive Fund	To support the development of a Co-director.

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Notes to the accounts continued for the year ended 31 March 2020

5 Tangible assets

	Vehicles and bikes	Office equipment	Total
<u>Cost</u>	£	£	£
At 1 April 2019	1,790	6,348	8,138
Additions	1,000	1,282	2,282
At 31 March 2020	<u>2,790</u>	<u>7,630</u>	<u>10,420</u>
<u>Depreciation</u>			
At 1 April 2019	448	2,474	2,922
Charge for year	698	1,867	2,565
At 31 March 2020	<u>1,146</u>	<u>4,341</u>	<u>5,487</u>
<u>Net book value</u>			
At 31 March 2020	<u>1,644</u>	<u>3,289</u>	<u>4,933</u>
At 31 March 2019	<u>1,342</u>	<u>3,874</u>	<u>5,216</u>

6 Debtors and prepayments

	2020	2019
	£	£
Debtors	75,122	3,095
Prepayments	77	69
	<u>75,199</u>	<u>3,164</u>

7 Cash at bank and in hand

	2020	2019
	£	£
Cash at bank	68,739	163,459
Cash in hand	-	124
	<u>68,739</u>	<u>163,583</u>

8 Creditors and accruals

	2020	2019
	£	£
Creditors	3,749	8,348
Accruals	720	720
	<u>4,469</u>	<u>9,068</u>

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Notes to the accounts continued for the year ended 31 March 2020

9 Related party transactions

Trustee expenses

During the year 8 trustees were paid a total of £2063 in respect of travel (previous year: 9 trustees and £1,350).

Trustee remuneration and benefits

No trustee received any remuneration or benefit during this or the previous year.

Remuneration and benefits received by key management personnel

The key management personnel of the charity include the trustees and Co-directors, moving to an Interim-director structure at the start of the second quarter. The total employee benefits received by staff holding director-level positions were £44,411 (previous year: £37,433).

No trustee received any remuneration or benefit in this capacity during this or the previous year.

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Statement of Financial Activities including comparatives for all funds (including summary income and expenditure account) for the year ended 31 March 2020

	2020 Unrestricted funds £	2019 Unrestricted funds £	2020 Restricted funds £	2019 Restricted funds £	2020 Total funds £	2019 Total funds £
Income						
Grants and donations	176,609	91,286	112,484	181,933	289,093	273,219
Sales and fees	3,509	350	-	-	3,509	350
Bank interest	74	78	-	-	74	78
Total income	180,192	91,714	112,484	181,933	292,676	273,647
Expenditure						
Staffing costs						
Salaries and NIC	96,125	59,726	58,066	79,274	154,191	139,000
Freelance workers	15,862	22,686	46,553	7,367	62,415	30,053
Training	300	4,385	3,420	590	3,720	4,975
Travel and subsistence	67	13,221	18,360	-	18,427	13,221
Project delivery						
Research	-	26	6,966	625	6,966	651
Events	-	1,302	11,060	6,356	11,060	7,658
Travel	-	112	10,352	44,790	10,352	44,902
Administrative expenditure						
Advertising and marketing	-	7,001	2,958	-	2,958	7,001
IT software and consumables	-	2,196	7,563	132	7,563	2,328
Postage and delivery	-	376	321	-	321	376
Printing and stationery	-	6,118	1,710	4,633	1,710	10,751
Telephone and internet	-	272	418	54	418	326
Independent examination	720	720	-	-	720	720
Bank charges	-	144	210	-	210	144
Legal and professional	-	12,591	7,407	-	7,407	12,591
Memberships and subscriptions	-	1,175	392	-	392	1,175
Advisory board travel	-	62	-	-	-	62
Trustees travel	1,213	1,350	850	-	2,063	1,350
Premises expenditure						
Premises costs	12,350	13,285	4,793	869	17,143	14,154
Insurance	-	1,708	568	-	568	1,708
Depreciation	2,565	1,883	-	-	2,565	1,883
Total expenditure	129,202	150,339	181,967	144,690	311,169	295,029
Net income / (expenditure)	50,990	(58,625)	(69,483)	37,243	(18,493)	(21,382)
Fund balances brought forward	21,058	79,683	141,837	104,594	162,895	184,277
Fund balances carried forward	72,048	21,058	72,354	141,837	144,402	162,895