

**ETHICAL GIVING LIMITED**

**Accounts – 30th September 2017**

## **ETHICAL GIVING LIMITED**

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

Charity number: 1131343  
Company number: 6956432

Accounts – 30th September 2017

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**ETHICAL GIVING LIMITED**

**REPORT OF THE TRUSTEES  
for the year ended 30th September 2017**

The trustees are pleased to present their annual report and financial statements of the charitable company for the year ended 30th September 2017 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

Company Secretary: Mrs S Coates

**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 V Coates  
M Head  
Mrs S Coates

**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**

Donations from Ethical Investors continued to be lower than historical averages, as a direct impact of the introduction of the FCA's RDR regime. It was agreed at Ethical Investors that client fees would not be increased solely to maintain past levels of profit distribution.

Individual donations continued to increase, with clients making use of the flexibility provided by EG's ability to pass on funds to non-charities. More clients confirmed EG as their nominated charity in their Wills.

**REPORT OF THE TRUSTEES**  
**for the year ended 30th September 2017 (Continued)**

**Financial Review**

The total income for the year was £45,680 and total expenditure on charitable activities amounted to £40,103. The balance on reserves at the year end was £25,155.

The main source of income for the Charity was donations.

**Investment Policy**

The trustees have an investment policy of maintaining the capital of the Trust.

**Reserves Policy**

Trustee policy is to use any fees generated to improve system and further promote the activities of the charity. As EG is a simple grant making charity where distributed funds come from corporate or individual donations, it is not anticipated that any significant reserves will be built up or needed. The majority of operational costs are met by Ethical Investors and as such the Trustees do not envisage future liabilities necessitating some form of reserve.

**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 23<sup>rd</sup> January 2018 and signed on its behalf by:

L V Coates - Trustee

Cheltenham

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES**

I report on the accounts of the Ethical Giving Limited charitable company for the year ended 30th September 2017, which are set out on pages 4 to 10.

**Respective Responsibilities of Trustees and Examiner**

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

**Basis of Independent Examiner's Report**

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a true and fair view and the report is limited to those matters set out in the statement below.

In connection with my examination, no matter has come to my attention:

- 1) which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- 2) to which, in my opinion, attention should be drawn 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

24<sup>th</sup> January 2018

**Statement of Financial Activities**  
*(including an income and expenditure account)*  
**for the year ended 30th September 2017**

	Note	<b>Total Unrestricted Funds 2017 £</b>	<b>Total Unrestricted Funds 2016 £</b>
<b>Income from:</b>			
Donations	3	45,678	104,394
Investments	4	2	7
<b>Total incoming resources</b>		<u>45,680</u>	<u>104,401</u>
<b>Expenditure on:</b>			
Charitable activities	5	<u>40,103</u>	<u>113,078</u>
<b>Total expenditure</b>		<u>40,103</u>	<u>113,078</u>
<b>Net income/(expenditure) and net movement in funds for the year before gains and losses on investments</b>		5,577	(8,677)
Net gains on investment assets	10	<u>-</u>	<u>495</u>
<b>Net movement in funds</b>		5,577	(8,182)
<b>Reconciliation of funds</b>			
Total funds brought forward		<u>19,578</u>	<u>27,760</u>
<b>Total funds carried forward</b>		<u><u>£25,155</u></u>	<u><u>£19,578</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 2017**

	Note	<b>2017</b> £	<b>2016</b> £
<b>Fixed assets</b>			
Investments	10	8,642	8,642
<b>Total fixed assets</b>		<u>8,642</u>	<u>8,642</u>
<b>Current assets</b>			
Debtors	11	-	-
Investments	12	15,601	9,172
Cash at bank and in hand		<u>1,320</u>	<u>2,112</u>
<b>Total current assets</b>		16,921	11,284
<b>Liabilities</b>			
Creditors falling due within one year	13	<u>408</u>	<u>348</u>
<b>Net current assets</b>		<u>16,513</u>	<u>10,936</u>
<b>Total assets less current liabilities</b>		25,155	19,578
<b>Total net assets</b>		<u><u>£25,155</u></u>	<u><u>£19,578</u></u>
<b>The funds of the Charity</b>			
Unrestricted income funds	14	<u>25,155</u>	<u>19,578</u>
Total unrestricted funds		<u>25,155</u>	<u>19,578</u>
<b>Total charity funds</b>		<u><u>£25,155</u></u>	<u><u>£19,578</u></u>

For the year ended 30th September 2017 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: 23<sup>rd</sup> January 2018 and are signed on their behalf by:

L V Coates - Director

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

NOTES TO THE ACCOUNTS  
for the year ended 30th September 2017

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 2017 (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.

l) **Transition to FRS 102**

In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. No restatements were required. In accordance with the requirements of FRS 102 a reconciliation of opening balances and net income/(expenditure) for the year is provided with the net income/(expenditure) under previous GAAP adjusted for the presentation of investment gains/(losses) as a component of reported income.

NOTES TO THE ACCOUNTS  
for the year ended 30th September 2017 (continued)

**Transition to FRS 102 (continued)**

**Reconciliation of Reported Net Income**

	£
Net expenditure as previously stated	(8,677)
Adjustment for gains/(losses) on investments now treated as a component of net income	<u>495</u>
2016 Net expenditure as restated	£(8,182)

The transition date was 1st October 2015.

**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.

**3. Income from donations**

	2017	2016
	Unrestricted	Unrestricted
	£	£
Gifts and donations	<u>45,678</u>	<u>104,394</u>
	<u>£45,678</u>	<u>£104,394</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**

	2017	2016
	Grant making	Unrestricted
	Unrestricted	Unrestricted
	Total	Total
	£	£
Grants and donations	39,527	112,605
Bank charges	126	125
Accountancy	450	348
<b>Total</b>	<u>£40,103</u>	<u>£113,078</u>

NOTES TO THE ACCOUNTS  
for the year ended 30th September 2017 (continued)

6. **Analysis of grants**

	Grants to individuals	Grants to institutions
	Total	Total
	£	£
Grants in respect of Human and Environmental welfare	<u>2,553</u>	<u>36,974</u>

**Recipients of institutional grants**

Grants to Institutions over £4,000 in the year were as follows

	£
Tinder box	10,000
Glasgow library	4,000
Kulungilekids	6,000

7. **Net income/(expenditure) for the year**

	2017	2016
	£	£
<i>This is stated after charging:</i>		
Accountancy and independent examiners fees	<u>450</u>	<u>348</u>

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

	2017	2016
	£	£
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 (2016: £Nil) neither were they reimbursed expenses during the year (2016: £Nil). No charity trustee received payment for professional or other services supplied to the charity (2016: £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. **Investments**

**Movement in fixed asset investments**

	2017	2016
	£	£
UK listed equity investments		
Market value brought forward at 1st October 2016	8,642	8,147
Add net gain on revaluation	<u>-</u>	<u>495</u>
Market value as at 30th September 2017.	<u>8,642</u>	<u>8,642</u>

The investments are carried at their market value the bid price. Investments in equities are all traded in quoted public markets, primarily the London stock exchange

NOTES TO THE ACCOUNTS  
for the year ended 30th September 2017 (continued)

## 11. Debtors

	2017 £	2016 £
Other debtors	-	-
	<u>£-</u>	<u>£-</u>

## 12. Current asset investments

	2017 £	2016 £
Cash on deposit	15,601	9,172
	<u>£15,601</u>	<u>£9,172</u>

## 13. Creditors: amounts falling due within one year

	2017 £	2016 £
Accruals	408	348
	<u>£408</u>	<u>£348</u>

## 14. Analysis of charitable funds

## Analysis of movements in unrestricted funds

	Balance 01.10.2016 £	Incoming resources £	Resources expended £	Gains and losses £	Funds 30.09.2017 £
General fund	19,578	45,680	(40,103)	-	25,155
<b>Total</b>	<u>£19,578</u>	<u>£45,680</u>	<u>£(40,103)</u>	<u>£-</u>	<u>£25,155</u>

## Name of unrestricted fund

## Description, nature and purposes of the fund

General fund

The 'free reserves' after allowing for all designated funds.