

REPCE

Charity number 1158972

Annual Report and Financial Statements
for the year ended 31 March 2018



West Yorkshire Community Accounting Service

REPCE

**Annual Report and Financial Statements
for the year ended 31 March 2018**

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Prepared by West Yorkshire Community Accounting Service

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Trustees' report for the year ended 31 March 2018

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
Christine Berry	Co-Chair	Appointed April 2017
Laurie Laybourn-Langton	Co-Chair	
Jonah Earle	Co-Chair	Resigned November 2017
Aoife O'Leary	Treasurer	
Ben Glover	Secretary	Appointed April 2017 Resigned November 2018 Resigned June 2017
Gabriel Sub		
Yuan Yang		
Zach Ward-Perkins		Resigned April 2017
Maeve Cohen		Resigned November 2017
Alice Martin		Resigned November 2017
Marco Schneeberg		Resigned November 2018
Ben Pringle		
Rafe Martyn		Appointed April 2017 Resigned August 2018
Joseph Procter		Appointed May 2018
Dara Leyden		Appointed April 2018
Sofie Jenkinson		Appointed April 2018
Charity number	1158972	Registered in England and Wales

Principal address

22A Beswick Street
Ancoats
Manchester M4 7HR

Bankers

Triodos Bank NV
Deanery Road
Bristol BS1 5AS

Independent Examiner

Simon Bostrom Simon Bostrom

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 adopted 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 2018

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.

Objectives and activities

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.

Achievements and performance

We developed a strategy workshop for individual groups. This is to enable them to devise a campaign strategy that suits the particular problems they face at their universities. We delivered this workshop at five different universities and supported them to create individual strategies.

We hosted a ‘Festival of New Economic Thinking’ with the Young Scholars Initiative, part of the New Institute of Economic Thinking, in Edinburgh. The Festival brought together organisations and individuals that seek to improve the way economics is taught, studied, and practiced. It provided a forum to share ideas and resources with students, academics, and the wider public.

We produced new resources to support our students to produce curriculum reviews at their universities based on the methodology developed in our book *The Econocracy*. This has resulted in an extensive report from our group at the University of Durham, a country-wide review of universities in the Netherlands.

We organised a weekend residential trip to Edale youth hostel with over 40 student organisers from 10 universities across the UK attending. The focus of the weekend was campaign training and movement building. We had an excellent response from attendee and built a feeling of community within the network.

We developed workshops for 16-18 year old students on pluralist economics and delivered ten workshops in secondary schools across the UK reaching over 200 students.

Our book *the Econocracy* has been republished by Penguin and continues to sell well. We are supporting students to campaign to have it in their libraries.

We published the *Rethinking Reader, An Introduction to Pluralist Economics*. In conjunction with this we have developed a workshop and reading group materials for our student groups. We are also supporting groups to campaign to have it put on their reading lists.

We convened a coalition of academics, students and activists, *REFunding Economics* to push for positive change in the way that economics research is funded.

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Trustees' report (continued) for the year ended 31 March 2018

Risk Management

Day to day risks are considered and managed by the director and the staff team. The trustees consider risks facing the charity at their quarterly meetings. All policies are currently under review including the Risk Management strategy.

The charity has expanded considerably in the last year and will continue to so. The trustees have identified financial sustainability as the major risk facing the charity during this stage of expansion. Attention has also been focused on the health, safety and wellbeing of staff and volunteers. A key element in the management of financial risk is the development of a diverse and sustainable fundraising strategy. This is currently being developed by the director and trustees.

Financial review

The net income for the year was £119,218, including net income of £14,624 on unrestricted funds and net income of £104,594 on restricted funds.

Reserves policy

The Board of Trustees will consider the level of reserves that is prudent for Rethinking Economics 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 RE 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.

The RE 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 & 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 £77,139.

Signed on behalf of the board of trustees:

Signed..... (Trustee)

Name.....

Date.....

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Independent examiner's report to the trustees of REPCE Charitable Incorporated Organisation ('the CIO')

I report to the charity trustees on my examination of the accounts of the CIO for the year ended 31 March 2018, 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 member 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 CIO as required by section 130 of the Act; or
- 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: Name: Simon Bostrom

Relevant professional qualification or body: FCIE

Date:

West Yorkshire Community Accounting Service

Stringer House
34 Lupton Street
Leeds
LS10 2QW

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Statement of Financial Activities for the year ended 31 March 2018

	Notes	2018 Unrestricted funds £	2018 Restricted funds £	2018 Total funds £	2017 Total funds £
Income from:					
Grants and donations	(2)	132,245	109,594	241,839	133,826
Sales and fees		20,744	-	20,744	3,547
Bank interest		70	-	70	105
Total income		<u>153,059</u>	<u>109,594</u>	<u>262,653</u>	<u>137,478</u>
Expenditure on:					
Staffing costs					
Salaries and NIC	(3)	81,756	4,000	85,756	59,763
Freelance workers		14,024	-	14,024	3,787
Training		2,017	-	2,017	-
Travel and subsistence		3,351	-	3,351	1,837
Project delivery					
Ecnmy.org costs		-	-	-	-
Research		-	-	-	-
Events		5,820	500	6,320	4,921
Travel		8,973	-	8,973	638
Administrative expenditure					
Advertising and marketing		4,388	-	4,388	1,575
IT software and consumables		3,118	-	3,118	829
Postage and delivery		796	-	796	106
Printing and stationery		1,088	500	1,588	2,794
Telephone and internet		284	-	284	135
Accountancy and independent examination		1,120	-	1,120	1,337
Bank charges		82	-	82	51
Advisory board travel		58	-	58	201
Trustees travel		1,050	-	1,050	1,086
Premises expenditure					
Premises costs		9,155	-	9,155	3,564
Insurance		458	-	458	650
Depreciation		897	-	897	100
Total expenditure		<u>138,435</u>	<u>5,000</u>	<u>143,435</u>	<u>83,374</u>
Net income / (expenditure)		<u>14,624</u>	<u>104,594</u>	<u>119,218</u>	<u>54,104</u>
Fund balances brought forward		<u>65,059</u>	<u>-</u>	<u>65,059</u>	<u>10,955</u>
Fund balances carried forward	(4)	<u>79,683</u>	<u>104,594</u>	<u>184,277</u>	<u>65,059</u>

All incoming resources and resources expended derive from continuing activities.

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Balance sheet

as at 31 March 2018

	2018	2018	2018	2017
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Fixed assets				
Tangible assets (5)	<u>2,544</u>	<u>-</u>	<u>2,544</u>	<u>258</u>
Total fixed assets	<u>2,544</u>	<u>-</u>	<u>2,544</u>	<u>258</u>
Current assets				
Debtors and prepayments (6)	139	-	139	252
Cash at bank and in hand (7)	<u>80,954</u>	<u>104,594</u>	<u>185,548</u>	<u>148,281</u>
Total current assets	<u>81,093</u>	<u>104,594</u>	<u>185,687</u>	<u>148,533</u>
Current liabilities: amounts falling due within one year				
Creditors and accruals (8)	<u>3,954</u>	<u>-</u>	<u>3,954</u>	<u>83,732</u>
Total current liabilities	<u>3,954</u>	<u>-</u>	<u>3,954</u>	<u>83,732</u>
Net current assets / (liabilities)	<u>77,139</u>	<u>104,594</u>	<u>181,733</u>	<u>64,801</u>
Net assets	<u>79,683</u>	<u>104,594</u>	<u>184,277</u>	<u>65,059</u>
Funds				
Unrestricted funds	79,683	-	79,683	65,059
Restricted funds	<u>-</u>	<u>104,594</u>	<u>104,594</u>	<u>-</u>
Total funds	<u>79,683</u>	<u>104,594</u>	<u>184,277</u>	<u>65,059</u>

The financial statements were approved by the board of trustees on

Date:

Signed:

(Trustee)

Name

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Notes to the accounts for the year ended 31 March 2018

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 2015) 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%

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.

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Notes to the accounts for the year ended 31 March 2018

1 Accounting policies continued

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 2018

2 Grants and donations	2018	2018	2018	2017
	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
Friends Provident Foundation grant	94,879	-	94,879	35,970
Joseph Rowntree Charitable Trust grant (JRCT)	30,000	-	30,000	50,000
Network for Social Change grant (NSC)	-	15,000	15,000	15,813
Polden Puckham Charitable Trust	-	5,000	5,000	10,000
Grantham Foundation	-	-	-	19,556
KR Foundation	-	89,594	89,594	-
Other donations	7,366	-	7,366	2,487
	<u>132,245</u>	<u>109,594</u>	<u>241,839</u>	<u>133,826</u>

3 Staff costs and numbers	2018	2017
	£	£
Gross salaries	83,703	56,902
Social security costs	1,639	2,861
Pensions	414	-
	<u>85,756</u>	<u>59,763</u>

The average number employees during the year was 5, being an average of 4 full time equivalent (2017: 4.5, 2.5 FTE).

There were no employees with emoluments above £60,000.

Defined contribution pension scheme	2018	2017
	£	£
Costs of the scheme to the charity for the year	414	-
Amounts outstanding at the year end	84	-

4 Restricted funds	Balance b/f	Incoming	Outgoing	Transfers	Balance c/f
	£	£	£	£	£
NSC	-	15,000	-	-	15,000
Polden Puckham	-	5,000	5,000	-	-
KR Foundation	-	89,594	-	-	89,594
	<u>-</u>	<u>109,594</u>	<u>5,000</u>	<u>-</u>	<u>104,594</u>

Fund name	Purpose of restriction
NSC	Towards the appointment of a Head of Membership
Polden Puckham	Towards the UK Curriculum Reform Campaign
KR Foundation	Towards facilitating the European network

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Notes to the accounts continued for the year ended 31 March 2018

5 Tangible assets

	Office equipment £	Total £
Cost		
At 1 April 2017	400	400
Additions	3,183	3,183
At 31 March 2018	<u>3,583</u>	<u>3,583</u>
Depreciation		
At 1 April 2017	142	142
Charge for year	897	897
At 31 March 2018	<u>1,039</u>	<u>1,039</u>
Net book value		
At 31 March 2018	<u>2,544</u>	<u>2,544</u>
At 31 March 2017	<u>258</u>	<u>258</u>

6 Debtors and prepayments

	2018 £	2017 £
Debtors	70	-
Prepayments	69	252
	<u>139</u>	<u>252</u>

7 Cash at bank and in hand

	2018 £	2017 £
Cash at bank	185,157	34,621
Cash in hand	391	-
	<u>185,548</u>	<u>34,621</u>

8 Creditors and accruals

	2018 £	2017 £
Creditors	3,354	927
Accruals	600	1,140
Funds owing to Economy registered charity	-	81,665
	<u>3,954</u>	<u>83,732</u>

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Notes to the accounts continued for the year ended 31 March 2018

9 Trustee expenses

During the year 11 trustees were paid a total of £1,050 in respect of travel (previous year: 5 trustees and £1,086).

10 Related party transactions

			2018	2017
			£	£
Name of trustee or related party	Relationship to charity	Description of transaction		
Zach Ward-Perkins	Trustee	Trust document	-	6,068
Joe Earle	Trustee	Trust document	2,000	114
			<u>2,000</u>	<u>6,182</u>

In the previous year Zach Ward Perkins and Joe Earle were engaged under an independent research contract for the production of a campaigns book.

There were no other related party transactions during this 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 2018

	2018 Unrestricted funds £	2017 Unrestricted funds £	2018 Restricted funds £	2017 Restricted funds £	2018 Total funds £	2017 Total funds £
Income						
Grants and donations	132,245	123,826	109,594	10,000	241,839	133,826
Sales and fees	20,744	3,547	-	-	20,744	3,547
Bank interest	70	105	-	-	70	105
Total income	153,059	127,478	109,594	10,000	262,653	137,478
Expenditure						
Staffing costs						
Salaries and NIC	81,756	49,763	4,000	10,000	85,756	59,763
Freelance workers	14,024	3,787	-	-	14,024	3,787
Training	2,017	-	-	-	2,017	-
Travel and subsistence	3,351	1,837	-	-	3,351	1,837
Project delivery						
Ecnmy.org costs	-	-	-	-	-	-
Research	-	-	-	-	-	-
Events	5,820	4,921	500	-	6,320	4,921
Travel	8,973	638	-	-	8,973	638
Administrative expenditure						
Advertising and marketing	4,388	1,575	-	-	4,388	1,575
IT software and consumables	3,118	829	-	-	3,118	829
Postage and delivery	796	106	-	-	796	106
Printing and stationery	1,088	2,794	500	-	1,588	2,794
Telephone and internet	284	135	-	-	284	135
Accountancy	1,120	1,337	-	-	1,120	1,337
Bank charges	82	51	-	-	82	51
Advisory board travel	58	201	-	-	58	201
Trustees travel	1,050	1,086	-	-	1,050	1,086
Premises expenditure						
Premises costs	9,155	3,564	-	-	9,155	3,564
Insurance	458	650	-	-	458	650
Depreciation	897	100	-	-	897	100
Total expenditure	138,435	73,374	5,000	10,000	143,435	83,374
Net income / (expenditure)	14,624	54,104	104,594	-	119,218	54,104
Fund balances brought forward	65,059	10,955	-	-	65,059	10,955
Fund balances carried forward	79,683	65,059	104,594	-	184,277	65,059