

Trade Justice Movement

FINANCIAL STATEMENTS

2016/2017

Company number 4712743

Directors' report and financial statements **for the year ended 31st March 2017**

Contents

| | |
|---------------------------------------|------|
| Report of the Directors | 3 |
| Profit and loss account | 4 |
| Balance sheet | 5 |
| Notes to income & expenditure account | 6 -8 |
| Detailed profit and loss account | 9 |

Members

ActionAid, ACTSA, ADRA-UK, AEFJN-UK, African Initiatives, All We Can, Article 12 in Scotland, Baby Milk Action, Banana Link, Baptist Union, BECTU, Bishopston Trading, Breathing Space Arts, British Association for Fair Trade Shops (BAFTS), Cafédirect, CAFOD, Christian Aid, Church of England, Church of Scotland, The Church in Wales, Columban Faith and Justice Office, CRED Foundation, Equal Exchange Trading, The Fairtrade Foundation, Find Your Feet, Friends of the Earth, Global Justice Now, Goodweave UK, Greenbelt Festivals, Greenpeace, Herne Hill and Dulwich Trade Justice Campaign, International Muslim Association of Scientists and Engineers, Labour Behind the Label, MAYC World Action, Mercy Corps Scotland, National Board of Catholic Women, National Federation of Women's Institutes, National Justice and Peace Network, National Union of Students, One World Week, People & Planet, People Tree, Peru Support Group, Public & Commercial Services Union, Quaker Peace and Social Witness, SCIAF, Scottish Catholic Justice & Peace Commission, Scottish Episcopal Church Justice Peace & Creation Network, Self Help Africa, Send a Cow, Shared Interest, SIMPOL - UK, Skillshare International (UK), Soroptimist International of Great Britain and Ireland, SPEAK, Student Christian Movement, Tearfund, Tools for Self Reliance, Tourism Concern, Traidcraft, Trading Visions, Trocaire Northern Ireland, TUC, Unitarian Office of Social Responsibility, UNISON, United Nations Association: UK, United Reformed Church, VSO, War on Want, Women's Environmental Network, Women's International League for Peace and Freedom, The Woodcraft Folk, World Vision UK

Elected Directors

Tim Aldred (Fairtrade Foundation)
Jean Blaylock (Global Justice Now) *from November 2016*
Nick Crook (UNISON)

Dimitra Filippou (independent) *to September 2016*
Polly Jones (Global Justice Now) *to Aug 2016*
Ruth Kelly (ActionAid)
Sam Lowe (Friends of the Earth)
Veronica Pasteur (Independent) *to December 2016*
Matt Grady (Traidcraft)
Mark Dearn (War On Want) *from September 2016*

Company Secretary

Ruth Bergan

Employees

Ruth Bergan (Coordinator)

Registered Address (as of 31 March 2009)

c/o The Fairtrade Foundation
3rd Floor
Ibex House
42-47 Minorities
London EC3N 1DY

Bankers

The Co-operative Bank plc
1 Balloon Street
Manchester M60 4EP

Constitution

The Trade Justice Movement was incorporated on 26th March 2003 as a private Company Limited by Guarantee registered in England and Wales (company number 4712743) and is governed by a Memorandum of Association and Articles of Association dated 11th March 2003.

REPORT OF THE DIRECTORS

The Directors present their statutory report together with the financial statements of the Trade Justice Movement for the year ended 31st March 2017.

Principal aims and objectives The Trade Justice Movement is governed by a Memorandum of Association dated 11th March 2003. Under this Memorandum the objects of the company are:-

- i) to co-ordinate the UK movement for trade justice;
- ii) the relief of poverty anywhere in the world, in particular by advancing education relating to the effects of the rules and institutions governing international trade;
- iii) to educate the public concerning the effects on the natural environment of the rules and institutions governing international trade; and
- v) to advance education in democracy and related subjects, in particular their impact on rules and institutions governing international trade.

Organisation The membership of the Trade Justice Movement is open to any UK-based national organisation, and any local or regional organisation that has no national counterpart interested in promoting the objectives. Membership is not open to individuals or any other kind of local or regional group or network, political parties, and commercial organisations other than UK companies that are members of the International Fair Trade Association [IFAT].

The company is governed by a board of directors, who are directors for the purposes of company law. As set out in the Articles of Association, there shall be seven "Elected Directors" who must be authorised to stand for office by a member. The Elected Directors may co-opt up to four further "Co-opted Directors".

Directors

The Directors in office in the year are listed on page 1. None had any beneficial interests in the company during the year.

Principal Activities

The Trade Justice Movement campaigns for fundamental change of the unjust rules and institutions governing international trade, so that trade is made to work for all. The secretariat supports the broader sector by providing intelligence, analysis and advocacy opportunities on key trade issues.

Review of the year

The major focus for 2016 was work on UK Bilateral Investment Treaties (BITs) and the implications of the EU referendum for UK trade policy.

TJM continued work on investment protection, focusing on parliamentary influencing. This included producing a number of briefings, and a series of meetings with parliamentarians and TJM member organisations.

TTIP dropped off the agenda as the focus shifted to the implications of 'Brexit' for UK trade and investment policy. It remains a possibility that the UK will join TTIP as a third party however negotiations on TTIP have stalled and there is little clarity as to whether the UK will be able to join in the event that the deal is concluded.

TJM produced a report, funded by AWC, on the climate implications of trade and investment policy. This has been shared with member organisations and MPs, and allowed us to secure funding from PPCF to develop further work in this area.

TJM was commissioned by the BOAG agencies (ActionAid, CAFOD, Christian Aid, Oxfam and Save the Children) to produce a piece of analysis on the political implications of Brexit for the UK's relationship with developing countries. This has been shared with member organisations and TJM are currently looking at how to build on this work in the coming year.

TJM has successfully secured external funding for work to monitor the development of the UK government's post-Brexit trade and investment policy, to strengthen the coalition in support of post-Brexit trade justice and to further develop alternative proposals for trade policy

TJM has also undertaken a major overhaul of the website to allow for a much-needed update and to bring it more in line with the organisation's policy focus.

Staffing for 2016-17 was at one (full time). The Board continue to work with the secretariat to secure TJM's longer-term future.

Result for the year

The Directors report an excess of income over expenditure of £16,419. At the end of the year, TJM had reserves of £57,440 to carry forward, of which £22,515 is restricted. Details of the restricted funds can be seen in Note 9 on p. 8.

The year ahead

The implications of the UK leaving the EU, both for the UK itself and for partner countries, will continue to be a major focus for TJM for 2017 and beyond. TJM will monitor developments and coordinate advocacy activities with members.

It looks likely that investment protection will be a high priority for the current administration. The UK is still a long way from having an approach to investment protection that supports social and environmental goals. TJM will deliver the final 6 months of a JRCT-funded project on UK BITs, which finishes in October 2017 and will seek continuation funding for this strand of work.

Reserves and Investment policy

The company aims to work within the funding of the members but some reserves have been built up to allow for flexibility into the next financial year.

Directors and their responsibilities in respect of the Financial Statements

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the year end, and the profit and loss of the company for that year. In preparing financial statements giving a true and fair view, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume the charity will continue in operation.

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



Nick Crook, Chair, Trade Justice Movement,
14/06/2017

Trade Justice Movement
(A company limited by guarantee)

**Profit and Loss Account
for the year ended 31 March 2017**

| | Notes | 2017 £ | 2016 £ |
|---|-------|---------------|---------------|
| Turnover and Gross profit | 1 | <u>0</u> | <u>0</u> |
| Administrative expenses | | (91,717) | (67,408) |
| Other operating Income | 2 | 108,100 | 78,945 |
| Other operating profit/(loss) | 3 | <u>16,383</u> | <u>11,537</u> |
| Interest receivable | 4 | 36 | 27 |
| Profit/(loss) on ordinary activities before taxation | | <u>16,419</u> | <u>11,564</u> |
| Tax on profit on ordinary activities | | <u>0</u> | <u>0</u> |
| Profit/(loss) on ordinary activities after taxation transferred to/from reserves | | <u>16,419</u> | <u>11,564</u> |

All of the company's operations are classed as continuing.

The company had no recognised gains or losses other than the profit/(loss) for the year.

Trade Justice Movement
(A company limited by guarantee)
Company number: 4712743
Balance Sheet

As at 31 March 2017

| | Notes | 31 Mar 2017 | | 31 Mar 2016 | |
|---|-------|--------------------|----------------------|--------------------|----------------------|
| | | £ | £ | £ | £ |
| CURRENT ASSETS | | | | | |
| Debtors and prepayments | | 0 | | 0 | |
| Cash at bank and in hand | | <u>76,435</u> | | <u>67,036</u> | |
| | | 76,435 | | 67,036 | |
| CREDITORS: Amounts falling due within one year | 7 | <u>18,995</u> | | <u>26,015</u> | |
| NET CURRENT ASSETS | | | <u>57,440</u> | | <u>41,021</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>57,440</u> | | <u>41,021</u> |
| REPRESENTED BY: | | | | | |
| Restricted funds | 9 | | 22,515 | | 4,039 |
| Unrestricted funds | 9 | | 34,925 | | 36,982 |
| | 9 | | <u>57,440</u> | | <u>41,021</u> |

For the year ending 31 March 2017 the company is entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies.

Members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

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

These financial statements have been prepared in accordance with the provisions of the Companies Act 2006 applicable to companies subject to the small companies regime.

On behalf of the Directors :



14/06/2017

NICK CROOK

Approved by the Directors on:

Trade Justice Movement
(A company limited by guarantee)

Notes to the Income and Expenditure Account
for the year ended 31 March 2017

1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard 102 (effective January 2015). The company has taken advantage of the exemptions provided by Section 1A for a small entity.

Income is the amounts derived from the provision of services, the receipt of gifts, subscriptions and grants falling within the company's ordinary activities and are shown net of VAT where applicable.

Restricted funds are to be used for specified purposes as laid down by the funder. Direct costs which meet these criteria are identified to the fund together with a fair allocation of other costs.

Unrestricted funds are funds received which have no restrictions placed on their use and are available as general funds

Designated funds are unrestricted funds earmarked by the directors for particular purposes.

Revenue grants are credited to income on the earlier of when they are received or when they are due. Grants for a specified future period are deferred.

| 2. Other operating income | 2016/17 | 2015/16 |
|--|----------------|----------------|
| Grants | £ | £ |
| BOAG | 7,000 | 0 |
| Clore Social Leadership Programme | 0 | 1,000 |
| Joseph Rowntree Charitable Trust | 45,000 | 25,687 |
| JMG Foundation | 15,000 | 0 |
| Polden Puckham Charitable Foundation | 10,000 | 0 |
| Unison | 0 | 9,689 |
| AWC/MRDF | 0 | 5,000 |
| Subscriptions | | |
| ActionAid | 5,000 | 5,000 |
| CAFOD | 5,000 | 5,000 |
| Christian Aid | 2,000 | 2,000 |
| Church of England | 200 | 0 |
| Church in Wales | 250 | 250 |
| Fairtrade Foundation | 5,000 | 5,000 |
| Friends of the Earth | 2,000 | 2,000 |
| Global Justice Now/(previously WDM) | 2,000 | 1,000 |
| Methodist Relief and Development | 600 | 600 |
| NUT | 2,000 | 2,000 |
| Public and Commercial Services Union | 500 | 500 |
| QPSW | 750 | 750 |
| SCIAF | 1,000 | 1,000 |
| Tearfund | 3,000 | 3,000 |
| Traidcraft | 500 | 500 |
| Unison | 500 | 200 |
| War On Want | 500 | 500 |
| Other subscriptions and donations | 300 | 620 |
| Other operating income | 0 | 7,649 |
| Total Grants and Subscriptions Received | 108,100 | 78,945 |

Trade Justice Movement
(A company limited by guarantee)
Notes to the Accounts
for the year ended 31 March 2017

| 3. OPERATING PROFIT/(LOSS) | 2017 | 2016 |
|--|-------------|-------------|
| The operating surplus is stated after charging:- | | |
| | £ | £ |
| Depreciation | 0 | 0 |
| Pension costs (see note 6) | 3,335 | 3,015 |
| Directors' emoluments and other benefits | <u>0</u> | <u>0</u> |

4. INTEREST RECEIVABLE

| | | |
|---------------|-----------|-----------|
| Bank interest | <u>36</u> | <u>27</u> |
|---------------|-----------|-----------|

5. STAFF

An average of one member of staff was employed during the year (2016 - two)

6. PENSIONS

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. The company contribution is restricted to the contributions disclosed in note 3. The contributions for March 2016 were outstanding at the year end.

The designated money purchase plan is managed by NEST although staff may choose other plans. The plan invests the contributions made by the employee and employer in an investment fund to build up over the term of the plan. The pension fund is then converted into a pension upon the employee's normal retirement age which is defined as when they are eligible for a state pension. The total expense ratio of the NEST plan is 0.3 % and this is deducted from the investment fund annually. The company has no liability beyond making its contributions and paying across the deductions for the employee's contributions.

| 7. CREDITORS | 2017 | 2016 |
|------------------------|----------------------|----------------------|
| | £ | £ |
| Deferred Income* | 14,750 | 23,750 |
| Trade creditors | 3,695 | 991 |
| H.M. Revenue & Customs | 0 | 824 |
| Accruals | <u>550</u> | <u>450</u> |
| | <u>18,995</u> | <u>26,015</u> |

*Deferred income refers to funds received in one financial year for work in the next financial year. In this financial year £14,750 of subscriptions were received in advance - (2015/16 - £23,750 of subscriptions were received in advance).

| 8. RESERVES | 2017 | 2016 |
|-------------------------------------|----------------------|----------------------|
| | £ | £ |
| Balance at 1 April | 41,021 | 29,457 |
| Retained profit/(loss) for the year | <u>16,419</u> | <u>11,564</u> |
| Balance at 31 March | <u>57,440</u> | <u>41,021</u> |

Trade Justice Movement
(A company limited by guarantee)
Notes to the Accounts
for the year ended 31 March 2017

9. STATEMENT OF FUNDS

| | Balance at 31.3.16 £ | Income £ | Expenditure £ | Balance at 31.3.17 £ |
|--------------------------------------|----------------------------|-----------------------|----------------------|----------------------------|
| <u>Unrestricted funds</u> | | | | |
| General reserves | 36,982 | 31,136 | 33,193 | 34,925 |
| <u>Restricted funds</u> | | | | |
| AWC/MRDF | 3,224 | 0 | 3,224 | 0 |
| BOAG | 0 | 7,000 | 7,000 | 0 |
| JMG Foundation | 0 | 15,000 | 3,000 | 12,000 |
| Joseph Rowntree Charitable Trust | 0 | 45,000 | 43,110 | 1,890 |
| Polden-Puckham Charitable Foundation | 0 | 10,000 | 1,375 | 8,625 |
| Unison | 815 | 0 | 815 | 0 |
| | <u>4,039</u> | <u>77,000</u> | <u>58,524</u> | <u>22,515</u> |
| TOTAL FUNDS | <u>41,021</u> | <u>108,136</u> | <u>91,717</u> | <u>57,440</u> |

AWC/MRDF funds were received for a piece of work on trade and climate change and the balance brought forward was used to pay for materials this year.

BOAG funds were used for research into the major implications for developing countries of the post-Brexit return to the UK of competence for trade and investment, and associated advocacy opportunities.

JMG Foundation funds were used to prepare factsheets on the UK's post-Brexit trade arrangements. The factsheets were used at a conference in April on trade and democracy. The balance will be used in 2017 for further work on UK trade policy post-Brexit.

Joseph Rowntree Charitable Trust funds were received for TJM's 'Investment Rules for People and Planet' project, which is funded to October 2017.

PPCF funds are for lobbying work on trade policy and climate commitments. The balance will be used in 2017 for further work including production of materials and events on this theme.

UNISON funds were received for a report on the implications of TTIP for developing countries and the balance brought forward was used in June 2016 for a reprint of the reports.

10. COMPANY STATUS

The company is limited by guarantee and therefore has no share capital. The member's liability under the guarantee is restricted to a maximum of £1.

Trade Justice Movement
(A company limited by guarantee)

Detailed profit and loss account
for the year ended 31 March 2017

This page does not form part of the statutory accounts

| | £ | £ | 2017 £ | 2016 £ |
|---|----------------|---------------|----------------|---------------|
| | Unrestricted | Restricted | TOTAL | TOTAL |
| INCOME | | | | |
| <u>Grants, donations and other income</u> | | | | |
| Joseph Rowntree Charitable Trust | 0 | 45,000 | 45,000 | 25,687 |
| Clore Social Leadership Programme | 0 | 0 | 0 | 1,000 |
| JMG Foundation | 0 | 15,000 | 15,000 | 0 |
| AWC/MRDF | 0 | 0 | 0 | 5,000 |
| Unison | 0 | 0 | 0 | 9,689 |
| BOAG | 0 | 7,000 | 7,000 | 0 |
| PPCF | 0 | 10,000 | 10,000 | 0 |
| Subscriptions Received | 31,100 | 0 | 31,100 | 29,920 |
| Other operating income | 0 | 0 | 0 | 7,649 |
| Interest received | 36 | 0 | 36 | 27 |
| | 31,136 | 77,000 | 108,136 | 78,972 |
| EXPENDITURE | | | | |
| <u>Staff costs</u> | | | | |
| Salaries | 11,873 | 31,550 | 43,423 | 30,756 |
| National Insurance (net of Employers Allowance) | 1,686 | 0 | 1,686 | 1,125 |
| Pension (defined contribution schemes) | 3,336 | 0 | 3,336 | 3,015 |
| Recruitment | 2,252 | 0 | 2,252 | 0 |
| Payroll services | 352 | 0 | 352 | 369 |
| <u>Other costs</u> | | | | |
| Fees to partners in JRCT project | 0 | 18,750 | 18,750 | 12,000 |
| Service charge and office costs | 718 | 125 | 843 | 822 |
| Organisational meetings | 10 | 438 | 448 | 1,304 |
| Travel and volunteer costs | 1,097 | 922 | 2,019 | 2,971 |
| Materials | 1,569 | 6,039 | 7,608 | 7,196 |
| Research fees | 0 | 700 | 700 | 7,000 |
| Website costs | 9,750 | 0 | 9,750 | 300 |
| Accountancy fees | 550 | 0 | 550 | 550 |
| | 33,193 | 58,524 | 91,717 | 67,408 |
| SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES | | | | |
| | (2,057) | 18,476 | 16,419 | 11,564 |