



FINANCIAL STATEMENTS

2018/2019

Company number 4712743

Directors' report and financial statements for the year ended 31st March 2019

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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, Christians on the Left, 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, 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, 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, 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) *to June 2018*
Helen Dennis (Fairtrade Foundation) *from June 2018*
Jean Blaylock (War on Want)
Nick Crook (UNISON)
Nick Dearden (Global Justice Now)
Matt Grady (Traidcraft) *to December 2018*
Rachel Noble (ActionAid) *from February 2019*

Company Secretary

Ruth Bergan

Employees

Ruth Bergan (Coordinator/ Senior Adviser)
Sophie Hardefeldt (Senior Network Adviser – to June 2018)
David Lawrence (Senior Political Adviser - from Sept 2018)
Laura Bannister (Senior Adviser, EU-UK trade - from Feb 2019)

Registered Address

Until 31st June 2018:
c/o The Fairtrade Foundation

3rd Floor
Ibex House
42-47 Minories
London EC3N 1DY

From 31st June 2018:

66 Offley Road
London SW9 0LS

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 2019.

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

There have been two major areas of focus for 2018-19. The first was continued coordination of advocacy and campaigning for trade democracy in the UK's expected independent trade policy following Brexit. This involved seeking to introduce procedures for scrutiny and accountability of trade policy in the Trade Bill. The Bill was voted on in the House of Commons in July, with amendments supported by TJM narrowly defeated. TJM worked with Lords to introduce a new amendment with similar aims.

TJM continued to work with thirty organisations actively involved in this campaign, including TJM members and non-members. TJM also worked with the International Chambers of Commerce (ICC) to produce a joint report and an event in parliament.

Key achievements included:

- maintaining the support of all major opposition parties for trade democracy
- engaging with parliamentarians from all political parties (Labour, SNP, Lib Dem, Plaid Cymru, Green, Conservative and DUP) on the Trade Bill and ensuring that amendments were debated on all our key issues
- five parliamentary committees raised concerns about procedures for scrutiny
- the government produced a command paper setting out revised processes for scrutiny

TJM produced various resources to support the campaign including:

- briefings for parliamentarians
- briefings for NGO partners
- responses to a number of parliamentary inquiries into this and related issues

The second was to develop a new piece of work on Investor-to State Dispute Settlement (ISDS). The work calls for ISDS to be excluded from the UK's future trade policy and for it to be removed from the UK's existing Bilateral Investment Treaties (BITs). TJM has brought fifty organisations into the campaign.

Key activities included:

- a successful parliamentary event
- a petition supported by fifty organisations
- a well-attended training day
- a dialogue with the ICC about the issue
- collaboration with an academic at the University of Warwick to develop an academic letter against ISDS

TJM has also:

- Coordinated a group working on trade and health, including: co-authoring both a long report and short briefing on the issue; speaking at the UNISON annual conference.
- Coordinated a group working on trade and gender, including: writing a long report, running a 3-day training event and a parliamentary event.
- Worked with environmental groups to advise them on the impacts of trade on climate and environmental policy.
- Developed new work on the e-commerce agenda
- Written a briefing and held a seminar on the issue of regulatory cooperation in trade agreements
- Set up an All-Party Parliamentary Group on Trade Justice

All of the above will help us to prepare for the forthcoming EU-UK trade agreements, and other agreements as they begin to be negotiated.

Staffing for 2018-19 was initially at 1.8 FTE but expanded to 2.8 FTE by the end of the year. 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 £11,916 that will be brought forward to financial year 2019-20. At the end of the year, TJM had reserves of £67,403 to carry forward, of which £32,550 is restricted.

The year ahead

In a context of ongoing uncertainty around the UK's approach to trade and investment policy as a result of Brexit, TJM will continue to build understanding of its impact and the capacity of civil society and parliamentarians to engage with the issues.

TJM will continue work to achieve a legislative framework for democratic oversight of trade policy. This will become particularly relevant as the anticipated trade negotiations will probably begin towards the end of this year or in early 2020.

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 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,

**Trade Justice Movement
(A company limited by guarantee)**

**Profit and Loss Account
for the year ended 31 March 2019**

	Notes	2019 £	2018 £
Turnover and Gross profit	1	<u>0</u>	<u>0</u>
Administrative expenses		(96,352)	(101,798)
Other operating Income	2	108,250	99,825
Other operating profit/(loss)	3	<u>11,898</u>	<u>(1,973)</u>
Interest receivable	4	18	20
Profit/(loss) on ordinary activities before taxation		<u>11,916</u>	<u>(1,953)</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>11,916</u>	<u>(1,953)</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 2019

	Notes	31 Mar 2019		31 Mar 2018	
		<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
CURRENT ASSETS					
Debtors and prepayments	7	7,000		2,901	
Cash at bank and in hand		<u>67,207</u>		<u>70,069</u>	
		74,207		72,970	
CREDITORS: Amounts falling due within one year					
	8	<u>6,804</u>		<u>17,483</u>	
NET CURRENT ASSETS			<u>67,403</u>		<u>55,487</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>67,403</u>		<u>55,487</u>
REPRESENTED BY:					
Restricted funds	10		32,550		12,000
Unrestricted funds	10		34,853		43,487
	10		<u>67,403</u>		<u>55,487</u>

For the year ending 31 March 2019 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 :

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 2019**

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

	<u>2018/19</u>	<u>2017/18</u>
<u>Grants</u>	£	£
Joseph Rowntree Charitable Trust	38,500	27,313
JMG Foundation	40,000	0
Kestrelman Foundation	0	24,000
Network for Social Change	0	17,896
<u>Subscriptions</u>		
ActionAid	5,000	5,000
CAFOD	6,000	6,000
Christian Aid	2,000	2,000
Church in Wales	250	250
Fairtrade Foundation	5,000	5,000
Friends of the Earth	2,000	2,000
Global Justice Now	2,000	2,000
GMB	750	750
Health Poverty Action	750	750
Herne Hill Trade Justice	0	516
NUT	2,000	2,000
Public and Commercial Services Union	500	500
QPSW	750	750
Tearfund	1,000	1,000
Traidcraft	500	500
Unison	500	500
War On Want	500	500
Other subscriptions and donations	250	600
Total Grants and Subscriptions Received	<u>108,250</u>	<u>99,825</u>

Trade Justice Movement
(A company limited by guarantee)
Notes to the Accounts
for the year ended 31 March 2019

3. OPERATING PROFIT/(LOSS)	<u>2019</u>	<u>2018</u>
The operating surplus is stated after charging:-	£	£
Depreciation	0	0
Pension costs (see note 6)	4,801	10,560
Directors' emoluments and other benefits	0	0
	<u>0</u>	<u>0</u>

4. INTEREST RECEIVABLE

Bank interest	<u>18</u>	<u>20</u>
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5. STAFF

An average of two members of staff were employed during the year (2018 - 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 2019 were outstanding at 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. DEBTORS	<u>2019</u>	<u>2018</u>
	£	£
Subscriptions due	7,000	0
H.M. Revenue & Customs - SMP due back	0	2,501
Pension contributions overpaid	0	400
	<u>7,000</u>	<u>2,901</u>

8. CREDITORS	<u>2019</u>	<u>2018</u>
	£	£
Deferred Income*	2,400	16,150
Pension contributions	768	458
Employee salary	138	0
H.M. Revenue & Customs	2,598	0
Accruals	900	875
	<u>6,804</u>	<u>17,483</u>

*Deferred income refers to funds received in one financial year for work in the next financial year. In this financial year £2,400 of subscriptions were received in advance. (2017/18 - £16,150 of subscriptions were received in advance).

**Trade Justice Movement
(A company limited by guarantee)
Notes to the Accounts
for the year ended 31 March 2019**

	<u>2019</u>	<u>2018</u>
	£	£
9. RESERVES		
Balance at 1 April	55,487	57,440
Retained profit/(loss) for the year	11,916	(1,953)
Balance at 31 March	67,403	55,487

10. STATEMENT OF FUNDS

	Balance at 31.3.18	Income	Expenditure	Balance at 31.3.19
	£	£	£	£
<u>Unrestricted funds</u>				
General reserves	43,487	29,768	38,402	34,853
<u>Restricted funds</u>				
JMG Foundation	0	40,000	10,000	30,000
Joseph Rowntree Charitable Trust	0	38,500	35,950	2,550
Kestrelman Foundation	12,000	0	12,000	0
	12,000	78,500	57,950	32,550
TOTAL FUNDS	55,487	108,268	96,352	67,403

JMG funds will be used in 2019/20 for work on the forthcoming UK/EU trade deal.

Kestrelman Foundation funds were used for work on UK trade policy post-Brexit.

Joseph Rowntree Charitable Trust funds were received for TJM's 'Trade and Democracy' project. The balance will be spent in the second year of the project.

11. 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.