

Trade Justice Movement

FINANCIAL STATEMENTS

2017/2018

Company number 4712743

Directors' report and financial statements for the year ended 31st March 2018

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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, 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, 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) *to September 2017*
Nick Crook (UNISON)
Nick Dearden (Global Justice Now) *from October 2017*
Ruth Kelly (independent) *to March 2018*
Sam Lowe (Friends of the Earth) *to December 2017*
Matt Grady (Traidcraft)
Mark Dearn (War On Want)

Company Secretary

Ruth Bergan

Employees

Ruth Bergan (Coordinator – on maternity leave)
Jean Blaylock (Coordinator – from October 2017)
Sophie Hardefeldt (Senior Network Adviser – from July 2017)
Paul Keenlyside (Coordinator – to October 2017)

Registered Address (as of 31 March 2009)

c/o The Fairtrade Foundation

3rd Floor
Ibex House
42-47 Minories
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 2018.

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 2017-18 was 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 announced in the Queen's speech in June, and introduced in November.

TJM brought together thirty organisations actively involved in this campaign, including TJM members and non-members, some long active on trade and some new to the issue.

Key achievements included:

- securing the public support of all major opposition parties for trade democracy
- developing a joint letter calling for trade democracy to the *Telegraph* signed by over fifty academics
- collecting 265,018 signatures on petitions to the Dept of International Trade (DIT) on trade democracy
- enabling over 60,000 supporters to respond to a DIT white paper consultation.
- 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
- facilitating debate in devolved administrations and legislatures on their role in trade policy

TJM produced various resources to support the campaign including:

- a series of four introductory briefings
- assessment of party manifestos against democracy asks
- study of how trade democracy asks could work in practice
- model supporter response to DIT consultation
- draft ideas for amendments to the Trade Bill
- briefing on constitutional implications of the Trade Bill

TJM also worked on other aspects of trade policy during the year. TJM made submissions to several parliamentary inquiries. Work on investment protection continued, including briefings on third party funding and case studies of how countries around the world are stepping away from ISDS.

TJM developed new resources on trade and climate change, including an introductory briefing and a joint report with Transport & Environment looking at the need to redress the balance between trade agreements and climate/environment agreements. These were supported by blogs and media articles.

TJM worked with organisations to explore alternatives approaches to trade in thematic areas – on health, gender and agriculture.

TJM has also completed a major overhaul of the website and produced a series of six podcasts with trade policy experts on a range of trade and investment topics.

Staffing for 2017-18 was initially at one FTE but moved to 1.8 FTE from July for the rest 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 expenditure over income of £1,953 that will be taken from funds brought forward. At the end of the year, TJM had reserves of £55,487 to carry forward, of which £12,000 is restricted. The restricted funds are from the Kestrelman Foundation to be spent in 2018/19.

The year ahead

In a context of continued 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. We will monitor and speak out on the current 'working groups' that the UK has for trade talks, as these rapidly approach becoming formal negotiations.

TJM will explore work around the impact of trade in financial services on women, and what a genuinely feminist trade impact assessment might look like.

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,

19 November 2018

Trade Justice Movement
(A company limited by guarantee)

Profit and Loss Account
for the year ended 31 March 2018

	Notes	2018 £	2017 £
Turnover and Gross profit	1	<u>0</u>	<u>0</u>
Administrative expenses		(101,798)	(91,717)
Other operating Income	2	99,825	108,100
Other operating profit/(loss)	3	<u>(1,973)</u>	<u>16,383</u>
Interest receivable	4	20	36
Profit/(loss) on ordinary activities before taxation		<u>(1,953)</u>	<u>16,419</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>(1,953)</u>	<u>16,419</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 2018

	Notes	31 Mar 2018		31 Mar 2017	
		£	£	£	£
CURRENT ASSETS					
Debtors and prepayments		2,901		0	
Cash at bank and in hand		<u>70,069</u>		<u>76,435</u>	
		72,970		76,435	
CREDITORS: Amounts falling due within one year	7	<u>17,483</u>		<u>18,995</u>	
NET CURRENT ASSETS			<u>55,487</u>		<u>57,440</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>55,487</u>		<u>57,440</u>
 REPRESENTED BY:					
Restricted funds	9		12,000		22,515
Unrestricted funds	9		43,487		34,925
			<u>55,487</u>		<u>57,440</u>


For the year ending 31 March 2018 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:
 3rd October 2018

Trade Justice Movement
(A company limited by guarantee)

Detailed profit and loss account
for the year ended 31 March 2018

This page does not form part of the statutory accounts

	£	£	2018 £	2017 £
	Unrestricted	Restricted	TOTAL	TOTAL
INCOME				
<u>Grants, donations and other income</u>				
Joseph Rowntree Charitable Trust	0	27,313	27,313	45,000
JMG Foundation	0	0	0	15,000
Kestrelman Foundation	0	24,000	24,000	0
Network for Social Change	0	17,896	17,896	0
BOAG	0		0	7,000
Polden Puckham Charitable Foundation	0		0	10,000
Subscriptions Received	30,616	0	30,616	31,100
Interest received	20	0	20	36
	<u>30,636</u>	<u>69,209</u>	<u>99,845</u>	<u>108,136</u>
EXPENDITURE				
<u>Staff costs</u>				
Salaries	12,756	57,410	70,166	43,423
National Insurance (net of Employers Allowance)	363	4,394	4,757	1,686
Pension (defined contribution schemes)	8,002	2,558	10,560	3,336
Recruitment	653	0	653	2,252
Payroll services	0	428	428	352
<u>Other costs</u>				
Fees to partners in JRCT project	0	6,750	6,750	18,750
Service charge and office costs	300	1,450	1,750	843
Organisational meetings	0	301	301	448
Travel and volunteer costs	0	1,069	1,069	2,019
Materials	0	2,768	2,768	7,608
Research costs	0	397	397	700
Website costs	0	1,174	1,174	9,750
Accountancy fees	0	1,025	1,025	550
	<u>22,074</u>	<u>79,724</u>	<u>101,798</u>	<u>91,717</u>
SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES	<u>8,562</u>	<u>(10,515)</u>	<u>(1,953)</u>	<u>16,419</u>

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

**Notes to the Income and Expenditure Account
for the year ended 31 March 2018**

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	2017/18	2016/17
<u>Grants</u>	<u>£</u>	<u>£</u>
BOAG	0	7,000
Joseph Rowntree Charitable Trust	27,313	45,000
JMG Foundation	0	15,000
Kestrelman Foundation	24,000	0
Network for Social Change	17,896	0
Polden Puckham Charitable Foundation	0	10,000
<u>Subscriptions</u>		
ActionAid	5,000	5,000
CAFOD	6,000	5,000
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	0
Health Poverty Action	750	0
Herne Hill Trade Justice	516	0
Methodist Relief and Development	0	600
NUT	2,000	2,000
Public and Commercial Services Union	500	500
QPSW	750	750
SCIAF	0	1,000
Tearfund	1,000	3,000
Traidcraft	500	500
Unison	500	500
War On Want	500	500
Other subscriptions and donations	600	500
Total Grants and Subscriptions Received	99,825	108,100

Trade Justice Movement
(A company limited by guarantee)
Notes to the Accounts
for the year ended 31 March 2018

3. OPERATING PROFIT/(LOSS)	2018	2017
The operating surplus is stated after charging:-		
	£	£
Depreciation	0	0
Pension costs (see note 6)	10,560	3,335
Directors' emoluments and other benefits	0	0
	<u>0</u>	<u>0</u>

4. INTEREST RECEIVABLE

Bank interest	<u>20</u>	<u>36</u>
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5. STAFF

An average of two members of staff were employed during the year (2017 - one)

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 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.

	2018	2017
7. CREDITORS	£	£
Deferred Income*	16,150	14,750
Trade creditors	0	3,695
H.M. Revenue & Customs	0	0
Accruals	1,333	550
	<u>17,483</u>	<u>18,995</u>

*Deferred income refers to funds received in one financial year for work in the next financial year. In this financial year £16,150 of subscriptions were received in advance - (2016/17 - £14,750 of subscriptions were received in advance).

	2017	2016
8. RESERVES	£	£
Balance at 1 April	57,440	41,021
Retained profit/(loss) for the year	(1,953)	16,419
Balance at 31 March	<u>55,487</u>	<u>57,440</u>

Trade Justice Movement
(A company limited by guarantee)
Notes to the Accounts
for the year ended 31 March 2018

9. STATEMENT OF FUNDS

	Balance at 31.3.17	Income	Expenditure	Balance at 31.3.18
	£	£	£	£
<u>Unrestricted funds</u>				
General reserves	34,925	30,636	22,074	43,487
<u>Restricted funds</u>				
JMG Foundation	12,000	0	12,000	0
Joseph Rowntree Charitable Trust	1,890	27,313	29,203	0
Kestrelman Foundation	0	24,000	12,000	12,000
Network for Social Change	0	17,896	17,896	0
Polden-Puckham Charitable Foundation	8,625	0	8,625	0
	<u>22,515</u>	<u>69,209</u>	<u>79,724</u>	<u>12,000</u>
TOTAL FUNDS	<u>57,440</u>	<u>99,845</u>	<u>101,798</u>	<u>55,487</u>

Funds from Network for Social Change were for Brexitwatch monitoring and shaping U.K. trade policy.

JMG Foundation and Kestrelman 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 2018 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.

Polden-Puckham funds were for lobbying work on trade policy and climate commitments.

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.

