



# Contents

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Legal and administrative information	3
Directors' Report	4
Auditors' Report	9
Income and Expenditure Account	11
Balance Sheet	12
Cashflow Statement	13
Notes to the Accounts	14

# Legal and administrative information

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Friends of the Earth Limited is a company limited by guarantee, not having a share capital and is governed by its memorandum and articles of association.

Company Registration Number:  
**1012357**

Registered Office  
**The Printworks**  
**1st Floor, 139 Clapham Road**  
**London SW9 0HP**  
**020 7490 1555**  
**info@foe.co.uk**  
**www.foe.co.uk**

In 2014/15 a governance review was undertaken and new articles of association came into effect from 1 June 2015, resulting in a smaller Board of Directors as well as streamlined regulatory processes under the Companies Act 2006. This was completed in July 2016 resulting in a reduction in the size of the Board from 11 directors to eight. Friends of the Earth Limited co-opts all its Directors by appointing six from Friends of the Earth Trust and recruiting additional independent members to bring in specific skills. The maximum number allowed under the articles of association is eight: six drawn from the board of Friends of the Earth Trust, at least five of whom have been elected by the local groups network. The remainder are co-opted for their skills and expertise. Terms are three years and a maximum of three terms can be served, although the Board policy is for two terms to be the norm. The Directors are responsible for setting policy and agreeing strategy. Those who held office during/after the year were:

**D. Anley (formerly Horsman) (Chair from July 2016)**

**S. Bernstein**

**C. Church**

**J. Gold (retired July 2016)**

**F. Green (retired July 2016)**

**H. Griffiths (retired July 2016)**

**S. Hack**

**S. Hale**

**Dr T. Sayer (Chair) (retired July 2016)**

**Dr A. Schiffer**

**S. Steeden**

Two Board committees meet quarterly to scrutinise elements of the organisation's work, the Performance Committee, and a Governance Committee which oversees governance processes.

Chief Executive Officer:  
**C. Bennett**

Company Secretary:  
**E. Kavanagh**

The day-to-day management is delegated to the Chief Executive Officer (C. Bennett), the Senior Management Team (made up of employees selected for their expertise in the activities of the organisation) and the Company's other staff.

## Principal advisers

Registered Auditors:  
**haysmacintyre**  
**Chartered Accountants**  
**26 Red Lion Square**  
**London, WC1R 4AG**

Bankers:  
**Co-operative Bank**  
**Manchester Business Centre**  
**1 Balloon Street**  
**Manchester, M60 4EP**



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**DON'T FRACK  
YORKSHIRE**



# Directors' report

The Directors present their report and accounts for the year ended 31 May 2016

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## Objectives of Friends of the Earth Limited

Friends of the Earth Limited exists to protect and improve the environment, through influencing political policies and business practices, inspiring individuals and communities to take personal and political action, and stimulating wide and intelligent debate. In these ways it also supports Friends of the Earth Trust, a charity, to achieve its charitable objectives.

## Review of activities

Friends of the Earth Limited independently decides which work it will carry out, but in doing so it takes into account the work of Friends of the Earth Trust in order to avoid any unnecessary duplication of effort. Friends of the Earth Limited adheres to the same standards as Friends of the Earth Trust regarding party political impartiality and speaking out. Full details of activities and impacts of the work undertaken by the charity are given in the Trustees' Report section of the Friends of the Earth Trust's published accounts.

Friends of the Earth Limited concentrates on three activities – building on our collaboration with overseas organisations; supporting and encouraging local, regional and national groups in their work; and coordinating national activism by developing an effective network. In addition Friends of the Earth Limited carried out all activity associated with the Fracking campaign in 2015/16.

At the heart of our success have been these networks, comprising experts, activists and dedicated supporters who have helped us capture the imagination of thousands of people and gain their trust.

## Overseas collaboration

Friends of the Earth Limited continues to be an active and influential contributor to the work of both our European and international bodies, with staff holding posts on boards and committees. We play a key role in the Friends of the Earth International federation to ensure strategic interventions and mobilisation on crucial issues such as international climate, and to support those member groups under threat because of their environmental activism.

## Local, national and regional groups

We continue to support a large grassroots network of community groups, with 159 licensed Friends of the Earth groups working with us across Friends of the Earth campaigns and programmes as well as driving their own projects forwards. This year we have built on work begun in the previous year to broaden the ways communities can work with us, to allow us to reach and involve a greater diversity of people in a greater range of ways. Our Affiliates programme has expanded to 18 groups, and we have plans to double the size of the Affiliates network by May 2017.

Our more flexible approach to organising has led to the formation of new alliances and networks as well. In 2016 we launched Young Friends of the Earth Northern Ireland, and we welcomed Affiliate groups and other allies to our regional gatherings and training events.

We have continued to put on regional and day-long events for supporters to network and skill-share, with more than 20 such events across the country this year.

## Fracking

We've continued to achieve success at local and national level through our Fracking campaign. Working through our local groups and via our team of national and regional experts, we have teamed up with dozens of local anti-fracking groups and other organisations to stop fracking in the UK. As a result of this, despite determined efforts by industry and government, the UK has remained frack free for over five years.

We successfully supported Lancashire communities to achieve a major win with the rejection of the fracking company Cuadrilla's application to frack at two sites in June 2015. Cuadrilla appealed the decision and the appeal took place in February/March 2016. We played a significant role throughout the public hearing, with our barrister and experts presenting detailed evidence to support the case that the appeal should be rejected, particularly on waste and climate change grounds. The Secretary of State is due to take the final decision in the autumn – and we continue to campaign to make sure Lancashire stays frack free.

On the ground we've supported Frack Free Lancashire to organise public meetings and rallies outside the inquiry – one was attended by 300 people. The campaign was amplified nationally with the help of actor and fracking campaigner Mark Ruffalo, whose video asking people to stand up to the industry and Cameron to not turn his back on the people of Lancashire has now been viewed more than 5 million times, and brought in many new supporters.

The other major fracking application has taken place in Ryedale in North Yorkshire where Third Energy has applied to carry out exploratory fracking. We worked closely with Frack Free Ryedale and other North Yorkshire groups to mobilise the public via a series of successful campaigning days and public meetings, supported these groups in their legal and planning objections, and presented planning arguments against the application to North Yorkshire County Council.

After a six-month delay, the application for exploration and to frack for production in Ryedale, North Yorkshire was heard in May. Despite overwhelming opposition to the application including more than 4,000 objections and a two-day rally outside the county council with around 500 attendees, the application was approved. Friends of the Earth generated extensive media coverage about the decision including a spot on BBC's *Newsnight*. In collaboration with Frack Free Ryedale we put out a 'People's Declaration' petition to oppose the decision; this was signed by nearly 25,000 people, of whom 10,000 were new to Friends of the Earth. We are challenging the decision with a Judicial Review on the grounds that the impacts on climate change were not properly considered. The case will be heard in late autumn 2016.

We secured an important win in Northern Ireland. After a campaign by Friends of the Earth and anti-fracking groups, the government published the new Strategic Planning Policy Statement, which includes a presumption against shale gas and other unconventional fossil fuels. While not a ban, this represents an enormous obstacle for the shale gas industry and we're campaigning hard to make sure it's upheld.

Friends of the Earth Limited played a leading role in campaigning to ban fracking in National Parks and in areas that protect drinking water. This followed a commitment from the Government to ban fracking in protected areas, from which they u-turned in a vote in Parliament. Despite this u-turn Friends of the Earth campaigning resulted in significant media coverage and public pressure on MPs which averted the worst of the proposals. We also exposed the government's proposals to take away decisions on fracking from local communities, through media coverage of a letter leaked to Friends of the Earth, which was covered on the front page of *The Telegraph*.

We're continuing to empower communities to challenge fracking applications with the development of a Stop Fracking Action Pack, which provides guidance on how to take action locally, nationally and globally. Similarly, we've hosted workshops in London and Manchester to join up community networks and share knowledge.

### **Financial review**

We are pleased to report an increase of £39,000 in total incoming resources to £1.6 million for the year ended 31 May 2016.

Donations from individual supporters make up 88% of our total income, of which committed giving income (standing orders) accounts for 75%. This regular source decreased by £71,448 as new supporters joined Friends of the Earth Trust instead. Donations from individual supporters of the Trust in 2015/16 remained at a similar level to those in 2014/15. This regular income enables us to plan our future campaigns with confidence.

Charities and other non-profit organisations that rely on income from individuals often have higher costs of generating funds as generally it is more expensive to raise income in this way. The Directors consider that maintaining the company's financial independence ensures the integrity of its campaigning and information work.

We were disappointed that legacy income decreased this year, by £88,801. However, this source of income is unpredictable and fluctuates from year to year. Tax advantages make it beneficial to leave legacies to Friends of the Earth Trust, which is a charity. We thank all those who remember us in their will.

Overall expenditure decreased by £17,063.

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## Reserves

Overall there was a deficit of £199,854 of expenditure over income from ordinary activities in the year. This reduced reserves to £312,362 and is in line with our strategic plan. Our current level of reserves represents almost 10 weeks' worth of normal operating expenditure, which is above our policy but is intentional to support the charity should it need further funds.

We consider that the current level of reserves is acceptable for a non-profit organisation of this size and complexity, especially in view of the amount of committed income pledged to the company. However, we need to ensure that reserves do not fall much below this level. We have no equity investments and hence these accumulated reserves are primarily represented by bank deposits.

Employee and staff costs are detailed in Note 6 to the accounts, but this does not take account of the tremendous contribution made by the thousands of volunteers who work throughout the organisation and without whom we could not achieve so much.

## Directors' responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the Directors are required to:

- > select suitable accounting policies and then apply them consistently;
- > make judgments and accounting estimates that are reasonable and prudent;
- > prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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.

## Risk management

The Directors have considered the major risks to which the company is exposed and confirm that systems have been established to mitigate those risks. This review, carried out annually by the Directors and senior staff, has identified that there are currently no significant risks that require urgent remedial action outside the company's normal systems and procedures.

## Related party

The work of Friends of the Earth Limited complements that of Friends of the Earth Trust. The latter is a registered charity and it exists to protect and improve the environment, through campaigning, undertaking research, education and publishing and it provides an information service on environmental problems and their solutions.

Friends of the Earth Limited rents some of its office space from Friends of the Earth Trust. For administrative efficiency, the two companies also share staff and a number of office services.

The value of these transactions is detailed in note 14 to the accounts.

## Auditors

haysmacintyre has indicated its willingness to continue in office and offer itself for re-appointment in accordance with the Companies Act 2006.

Approved by the Directors on 21 October 2016 and signed on behalf of the Board,



D. ANLEY  
Chair



# Auditors' report

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND TRUSTEES OF FRIENDS OF THE EARTH LIMITED

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We have audited the financial statements of Friends of the Earth Limited for the year ended 31 May 2016, which comprise the Profit and Loss Account, the Company Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of trustees and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 8, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### Opinion on financial statements

In our opinion the financial statements

- > give a true and fair view of the state of the company's affairs as at 31 May 2016 and of the company's results for the year then ended;

- > have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- > have been prepared in accordance with the requirements of the Companies Act 2006.

### Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

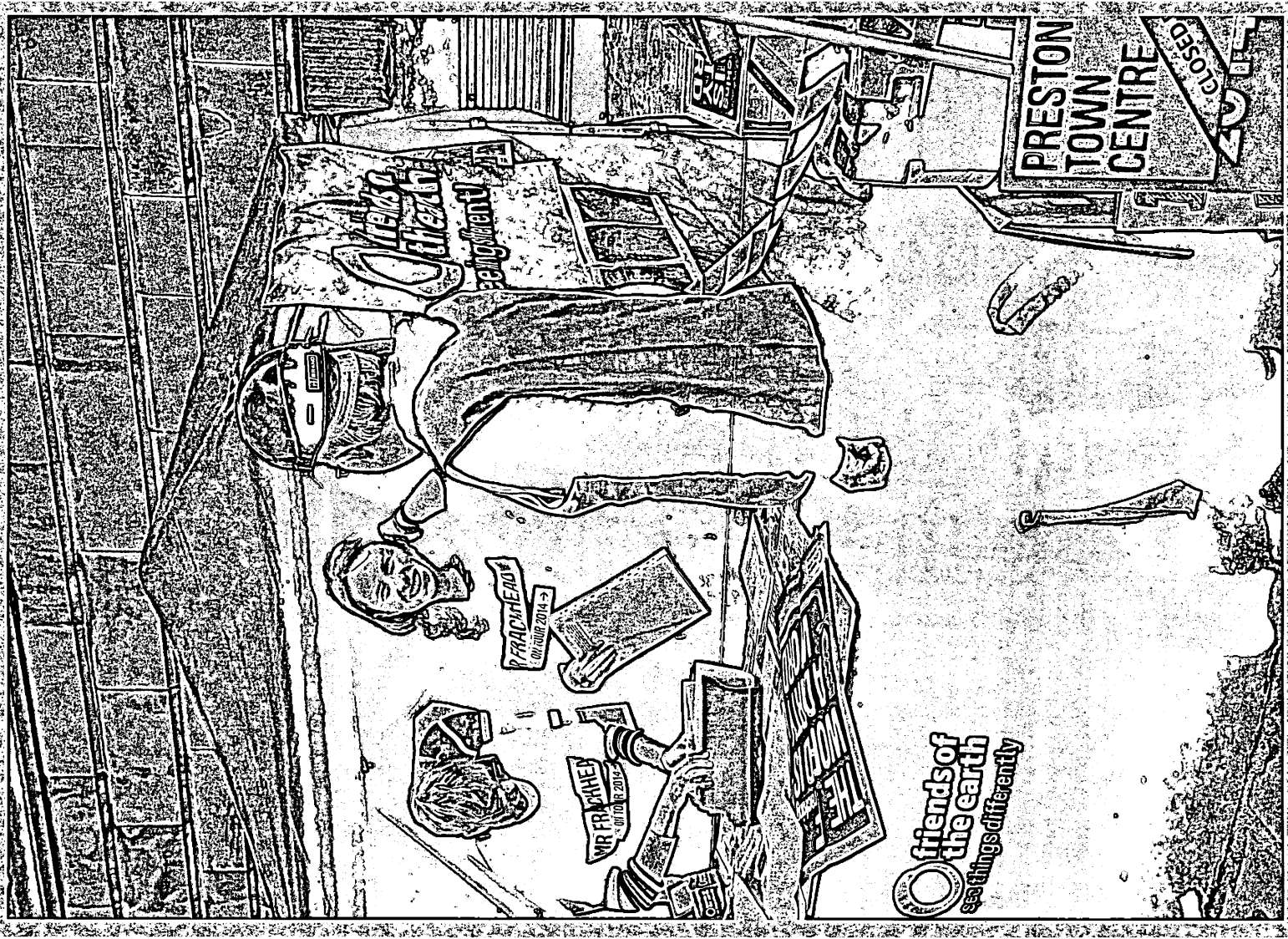
- > the company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- > the company financial statements are not in agreement with the accounting records and returns; or
- > certain disclosures of Directors' remuneration specified by law are not made; or
- > we have not received all the information and explanations we require for our audit; or
- > the Directors were not entitled to prepare the financial statements and the Directors' Report in accordance with the small companies regime and the exemption from the requirement to prepare a strategic report.



Adam Halsey (Senior Statutory Auditor)  
for and on behalf of haysmacintyre

26 Red Lion Square  
Chartered Accountants and Statutory Auditors  
London WC1R 4AG

Date: 21 October 2016



# Income and expenditure account

for the year ended 31 May 2016

	Notes	2016 £	2015 £
<b>INCOME</b>			
Supporters' contributions	2	1,404,479	1,395,006
Gross (loss)/profit on trading	3	(30,440)	11,654
Other	4	229,367	157,781
<b>TOTAL INCOME</b>		<b>1,603,406</b>	<b>1,564,441</b>
<b>EXPENDITURE</b>			
Campaigning & information provision		1,680,556	1,665,793
Supporter recruitment		34,418	-
Fundraising		55,842	48,230
Management & administration		32,444	72,174
<b>TOTAL EXPENDITURE</b>	<b>5</b>	<b>1,803,260</b>	<b>1,786,197</b>
<b>NET DEFICIT FOR THE FINANCIAL YEAR BEFORE TAX</b>		<b>(199,854)</b>	<b>(221,756)</b>
<b>TAXATION CHARGES</b>	<b>15</b>	-	-
<b>NET DEFICIT FOR THE FINANCIAL YEAR AFTER TAX</b>		<b>(199,854)</b>	<b>(221,756)</b>
<b>ACCUMULATED SURPLUS AT THE BEGINNING OF THE YEAR</b>		<b>512,216</b>	<b>733,972</b>
<b>ACCUMULATED SURPLUS</b>		<b>312,362</b>	<b>512,216</b>

All recognised gains and losses are included in the income and expenditure account.  
All transactions during the year are derived from continuing activities.

# Balance sheet

as at 31 May 2016

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	Notes	2016 £	2015 £
<b>TANGIBLE FIXED ASSETS</b>	<b>9</b>	<b>118,353</b>	<b>215,249</b>
<b>CURRENT ASSETS</b>			
Debtors	10	771,309	706,079
Cash at bank		39,274	34,107
		810,583	740,186
<b>CREDITORS – DUE WITHIN ONE YEAR</b>	<b>11</b>	<b>(616,574)</b>	<b>(443,219)</b>
<b>NET CURRENT ASSETS</b>		<b>194,009</b>	<b>296,967</b>
<b>NET ASSETS</b>		<b>312,362</b>	<b>512,216</b>
<b>RESERVES</b>			
Accumulated Surplus		312,362	512,216

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015)

Approved by the Directors on 21 October 2016  
and signed on behalf of the Board,



D. ANLEY  
Chair

# Cashflow statement

for the year ended 31 May 2016

	Notes	2016 £	2015 £
<b>Net outgoing resources for the year</b>		<b>(199,854)</b>	<b>(221,756)</b>
Adjusted by:			
Interest receivable		(9)	(300)
Depreciation	9	129,139	154,621
(Increase)/Decrease in debtors		(65,230)	167,739
Increase/(Decrease) in creditors		173,355	(59,410)
<b>NET CASH INFLOW FROM ACTIVITIES</b>		<b>37,401</b>	<b>40,894</b>
<b>Returns on investments and servicing of finance</b>			
Interest received		9	300
<b>NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		<b>9</b>	<b>300</b>
<b>Capital Expenditure</b>			
Payments to acquire tangible fixed assets	9	(32,243)	(19,143)
Receipts from disposal of assets		0	0
<b>NET CASH OUTFLOW FROM CAPITAL EXPENDITURE</b>		<b>(32,243)</b>	<b>(298,889)</b>
<b>INCREASE IN CASH</b>		<b>5,167</b>	<b>22,051</b>
<b>ANALYSIS OF CHANGES IN NET FUNDS</b>			
Balance as at 1 June 2015		34,107	12,056
Net cash inflow		5,167	22,051
<b>Balance as at 31 May 2016</b>		<b>39,274</b>	<b>34,107</b>

# Notes to the accounts

for the year ended 31 May 2016

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## 1 Accounting policies

### Basis of Preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015). The financial statements have been prepared in accordance with applicable accounting standards and the Companies Act 2006.

### Income

Income arising from supporters' contributions and donations is accounted for as and when received. Legacy income is credited when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Trading turnover consists of catalogue sales/commission and local group licences. Turnover represents amounts invoiced, excluding VAT.

### Fixed Assets

Fixed assets are stated at cost and are depreciated in equal annual instalments over their estimated useful lives as follows:-

Fixtures, fittings and furniture	10 years
Office equipment	4 years
Computer Equipment	3 years
Telephone equipment	7 years
Computer software	Individual purchases costing over £20,000 are depreciated over 4 years once the software is in use.

### Operating Leases

Payments made under operating leases are charged to the income and expenditure account on a straight line basis over the lease term.

### Reserves

The company needs reserves in order to be able to cope with the difficulties of predicting levels of voluntary donations and to cover contingencies and unforeseen opportunities. The Directors review annually the level of reserves required and we use a risk-based approach to determine the level required.

### Investments

Friends of the Earth Limited does not hold any equity investments. Any spare cash that we have available is invested in banks that have an effective environmental policy, namely the Co-operative Bank and Triodos Bank.

### Foreign Currencies

Transactions in foreign currencies are translated at the rates ruling at the date of the transaction.

## 2 Supporters' contributions

	2016	2015
	£	£
Committed giving (standing orders and direct debits) including magazine subscriptions	1,208,496	1,279,944
Legacies	24,103	112,904
Other supporters' contributions	171,880	2,158
	<b>1,404,479</b>	<b>1,395,006</b>

Other supporters' contributions include appeal/donation income relating to Fracking activity and donations from businesses.

## 3 Gross profit on trading

	2016	2015
	£	£
Trading turnover	76,598	12,092
Cost of sales	(107,038)	(438)
	<b>(30,440)</b>	<b>11,654</b>

## 4 Other income

	2016	2015
	£	£
Bank Interest	9	300
Advertising in supporter magazine	38,902	11,030
Miscellaneous (**)	190,456	146,451
	<b>229,367</b>	<b>157,781</b>

\*\*Miscellaneous income includes income from Rewilding Britain for hosting staff/overheads and a service charge for asset usage to Friends of the Earth Trust.

## 5 Operating expenditure

	2016	2015
	£	£
The deficit for the year is after charging:		
Staff costs (see note 6)	1,020,989	1,043,702
Depreciation of fixed assets	129,139	154,621
Auditors – statutory audit	5,800	6,032
Auditors – other	–	–
Hire of equipment under operating leases (see note 8)	1,596	4,038
Building leases rentals (see note 8)	34,368	36,081

## 6 Employees and staff costs

	2016	2015
	£	£
Salaries	895,065	905,596
National Insurance	83,414	91,294
Pension	42,510	46,812
	<b>1,020,989</b>	<b>1,043,702</b>

The average number of persons (full-time equivalent) employed by the company during the year was 25 (2015 : 25).

	2016	2015
No. of employees who earn between £60,000 and £69,999	1	3
No. of employees who earn between £80,000 and £89,999	1	1

The salaries of the above staff were split between Friends of the Earth Trust and Friends of the Earth Limited.

The company operates a Group Personal Pension Plan for the benefit of its employees. This is a defined contribution scheme and is administered separately from the company. The company matches contributions made by employees up to 7% of their salary each year and these costs are charged to the income & expenditure account as incurred.

## 7 Directors' remuneration

Remuneration paid to directors of Friends of the Earth Limited in 2015/16 was £nil (2014/15 £nil)

## 8 Operating leases

The company leases buildings and equipment on short term leases and these are subject to re-negotiation at various intervals specified in the leases. The annual rental paid on leases in operation during the year was £35,965 (2015: £40,118). As at 31 May 2016, the minimum annual commitments under the leases are as follows:

	2016	2015
	£	£
Building operating leases renewed annually	3,262	4,722
Building operating leases which expire within 5 years	29,236	15,530
Equipment operating leases	16,082	16,422
	<b>48,580</b>	<b>36,674</b>



## 9 Fixed assets

	Office Furniture £	Computers and Office Equipment £	Computer Software £	Totals £
<b>COST</b>				
Balance at 1 June 2015	127,128	421,658	524,341	1,073,127
Additions	0	27,861	4,382	32,243
Disposals	0	0	0	0
<b>Balance at 31 May 2016</b>	<b>127,128</b>	<b>449,519</b>	<b>528,723</b>	<b>1,105,370</b>
<b>DEPRECIATION</b>				
Balance at 1 June 2015	119,661	337,613	400,604	857,878
Charge for the year	1,826	61,279	66,034	129,139
Disposals	0	0	0	0
<b>Balance at 31 May 2016</b>	<b>121,487</b>	<b>398,892</b>	<b>466,638</b>	<b>987,017</b>
<b>NET BOOK VALUE</b>				
At 31 May 2016	5,641	50,627	62,085	118,353
At 31 May 2015	7,467	84,045	123,737	215,249

## 10 Debtors

	2016 £	2015 £
Trade debtors	29,585	19,453
Prepayments and accrued income	77,481	108,282
Amount due from Friends of the Earth Trust	621,555	513,766
Other debtors	42,688	64,578
	<b>771,309</b>	<b>706,079</b>

## 11 Creditors

	2016 £	2015 £
Trade creditors	268,872	150,409
Other taxes and social security	122,548	140,202
Accruals and deferred income	160,578	52,732
Interest-free loans	5,000	5,000
Other creditors	59,576	94,876
	<b>616,574</b>	<b>443,219</b>

## 12 Liability of members

In the event of a winding up, each member of the company is liable to contribute an amount not exceeding £1. At 31 May 2016 the number of members was 11 (2015: 11).

### 13 Reconciliation of movements in retained funds

There are no changes for the current or previous year other than the retained surplus in the income and expenditure account.

### 14 Related party transactions

The relationship between Friends of the Earth Trust and Friends of the Earth Limited is explained in the Directors' Report on page 6. During the year Friends of the Earth Trust paid Friends of the Earth Limited for the following items:

	2016	2015
	£	£
Shared office services (*)	1,521,015	1,326,436
Service charge for asset usage	103,311	123,697
Salaries incurred by Friends of the Earth Trust	4,626,828	4,617,418
Total expenditure incurred by Friends of the Earth Trust	6,251,154	6,067,551
Less rent charged by Friends of the Earth Trust	(4,787)	(27,563)
Cash transfers from Friends of the Earth Trust	(6,138,578)	(6,150,989)
Net transactions in the year	107,789	(111,001)
<b>Amount owed by Friends of the Earth Trust at year end</b>	<b>621,555</b>	<b>513,766</b>

Shared office services include the costs of Finance, HR, IT and office facilities support functions which the Directors consider is a cost effective means of acquiring these services. The service charge for asset usage relates to assets purchased by and depreciated solely within Friends of the Earth Limited.

Friends of the Earth Limited paid Roger Clark, the Chair of Friends of the Earth Trust, an honorarium of £5,000 for services managing the Chief Executive Officer and organising and chairing strategy meetings with Friends of the Earth Limited.

### 15 Corporation tax and vat

The majority of the company's income is not taxable. Tax is only payable on any taxable profit from trading activities. In the year 2015/16 a trading loss of (£30,440) was made.

In common with many other voluntary organisations, Friends of the Earth Limited is unable to reclaim all of its input VAT. In the year ended 31 May 2016 this amounted to £49,853 (2015: £27,245), which is 1.6% of total expenditure.

