

**THE ECUMENICAL COUNCIL FOR CORPORATE
RESPONSIBILITY (ECCR)**

(A company limited by guarantee and not having a share capital)

**Registered in England and Wales No. 2764183
Charity Registration No. 1139618**

Accounts - 31st May 2012

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**THE ECUMENICAL COUNCIL FOR CORPORATE
RESPONSIBILITY (ECCR)**

(A company limited by guarantee and not having a share capital)

REFERENCE AND ADMINISTRATIVE DETAILS

Directors

Lee Coates OBE (Chair)
Rev Raymond Singh (Vice Chair)
Matt Crossman (Company Secretary)
Bishop Doyé Agama (resigned January 2012)
Mark Cumming
Bishop Michael Doe
Ian Halstead
Victoria Heath
Steve Hucklesby
Patrick Hynes
Janet Lynch
Rev Frank Nally
Sr Daphne Norden
Rev Daniel Otieno-Ndale
Rev Angela Overton-Benge
Maranda St John Nicolle (appointed February 2012)

Company Secretary

Matt Crossman

Treasurer

Derek O'Neill

Principal Address

New Road Baptist Church
Bonn Square
Oxford
OX1 1LQ

Charity Registration Number: 1139618

Company Registration Number: 2764183

Auditors:

A J Carter & Co
22b High Street, Witney
Oxfordshire, OX28 6RB

Principal Bankers:

The Co-operative Bank
46-48 Arundel Street
Portsmouth, PO1 1TD

Lloyds TSB Bank Plc
118 High Street
Cheltenham, GL50 1EW

Triodos Bank
Brunel House, 11 The Promenade
Bristol, BS8 3NN

THE ECUMENICAL COUNCIL FOR CORPORATE RESPONSIBILITY (ECCR)

DIRECTORS' REPORT for the year ended 31st May 2012

The directors present their report and the audited financial statements for the year ended 31 May 2012 in accordance with the Companies Act 2006, the revised Statement of Recommended Practice, "Accounting and Reporting by Charities" (SORP 2005) and applicable accounting standards

STRUCTURE, GOVERNANCE AND MANAGEMENT

Introduction

The Ecumenical Council for Corporate Responsibility (ECCR) is a church-based investor coalition, registered charity and membership organisation. ECCR leads and collaborates with others in advocacy and awareness raising on issues of business, human rights and environmental stewardship.

Formed in 1989 (incorporated in 1992), ECCR's founders were already involved in the work of the Church in economic life and concerned with ethics and practicalities of company behaviour in Britain.

Much of the early work consisted of defining what corporate responsibility means in terms of ethics, human rights, and social and environmental concerns, in the context of a Church with investments in companies and a faith that speaks of justice and care for the marginalised.

It became clear that the Church is sometimes an investor in companies whose policies believed needed to be changed. ECCR therefore decided to explore the route of using church share holdings as a basis for dialogue with companies.

ECCR undertakes research, advocacy and dialogue to encourage companies to meet the highest standards of corporate responsibility and transparency, as well as assisting faith communities, their members and other investors in upholding these same high standards through responsible and positive-impact investment. ECCR has achieved this through activities such as detailed research, reports and proposing resolutions at AGMs.

Governing Document

The incorporated charity is governed by its Memorandum & Articles of Association dated 5 July 2010. It is incorporated in England and Wales (Company Number 2764183) and registered with the Charity Commission (Charity Number 1139618).

Method adopted for appointing new Directors

ECCR's directors are also charity trustees for the purposes of charity law. The trustees are elected at general meetings or may be co-opted by the trustees in accordance with the Memorandum and Articles of Association.

The trustees have adopted an internal policy of always filling at least two-thirds of director places with representative of ECCR's corporate and individual membership and to invite nominations for director vacancies from the membership whenever appropriate.

There is a system of accountability operational throughout the Company to ensure that the Board of Directors are aware of the progress and development of the activities carried out in the name of the Company.

THE ECUMENICAL COUNCIL FOR CORPORATE RESPONSIBILITY (ECCR)

DIRECTORS' REPORT **for the year ended 31st May 2012 (Continued)**

Organisational Structure and decision making

With regard to decision-making the Directors take responsibility for the overall running of the Charity. The Directors meet four times each year to decide matters of strategy, policy and major operational issues. In implementing the organisation's work they are assisted by the Treasurer and by a paid secretariat of four (2.2 full-time equivalent). Three members of the secretariat currently work on a self-employed basis. The fourth works under a partnership agreement with a member body. These arrangements are currently being changed so that the part-time staff and a new full-time employee will all be employed.

The Directors have established a Finance and Audit Committee whose membership includes the Treasurer, and have consulted other professional advisers on aspects of stewardship.

Risk Management

The Directors are responsible for the company's system of internal controls and for reviewing its effectiveness. The internal control system is designed to manage, rather than eliminate the risk of failure to achieve the company's objectives and can only provide reasonable and not absolute assurance against material misstatement's or loss.

The Directors have identified areas of risk affecting ECCR's work and are in the process of developing a risk management strategy.

OBJECTIVES AND ACTIVITIES

The Ecumenical Council for Corporate Responsibility's core charitable objective is to prevent and relieve poverty, and to advance environmental protection, human rights, conflict resolution, citizenship and community development, by promoting business ethics, corporate responsibility and ethical investment. In determining these objectives the trustees have paid due regard to the Charity Commission's guidance on public benefit.

Strategies for achieving the company's objectives comprise research, publishing, awareness raising, and engagement with companies and investors.

Review of Charitable Activities

The main activities undertaken by ECCR to address its objectives during the financial year to 31 May 2012 were:

- Raising awareness among, and influencing the policies and practices of, companies through meetings, correspondence, public advocacy, and publication of research findings and recommendations
- Raising awareness among, and influencing the approaches of, church and other investors through meetings, presentations, publication of research findings and recommendations, and provision of information via regular communications
- Collaboration with civil society organisations working with and on behalf of communities affected by the operations of companies, through information sharing, public advocacy and joint initiatives

THE ECUMENICAL COUNCIL FOR CORPORATE RESPONSIBILITY (ECCR)

DIRECTORS' REPORT for the year ended 31st May 2012 (Continued)

- Joint advocacy with other organisations urging public policy makers and regulators to act on such issues as taxation, corporate greenhouse gas reporting, and the protection of vulnerable workers
- Awareness raising among churches, their members and the wider public through regular communications, special publications, written articles, and public presentations and events

Priority issues addressed were oil and gas extraction in the Niger Delta, 'unconventional' oil, social and environmental impacts of banking, mining and indigenous peoples' rights, retailers' sale of Israeli settlement goods, the treatment of vulnerable workers; and positive impact investment strategies

ACHIEVEMENTS AND PERFORMANCE

As part of an international investor coalition, ECCR was involved in dialogue with over 30 companies at risk of encountering human trafficking or other forms of modern-day slavery on their premises or within their supply chains. This resulted in greater corporate commitment to the eradication of these crimes and the implementation of a range of anti trafficking mechanisms

We made representations to the UK government supporting the vital work of the Gangmasters Licensing Authority (GLA) in helping to prevent the exploitation of vulnerable workers across the food industry and advocated the need for such protections to be extended to other sectors

We continued to engage with oil company Shell to address a number of social and environmental issues of concern to Niger Delta communities. As a result, we secured promises of greater corporate transparency

Working with partner organisations, we started a new project promoting the right of indigenous peoples to free, prior and informed consent regarding mining operations on their territories, in line with the UN Declaration on the Rights of Indigenous Peoples

We continued to meet with banks to discuss the recommendations of our 2011 report *The Banks and Society*, several of which have now been taken up by local groups of members

We organised and spoke at numerous events, provided many articles, and published regular briefings and news updates on corporate and investor responsibility issues, and were key contributors to National Ethical Investment Week's Action Guide for Churches

We collaborated in civil society advocacy on a range of other issues relating to our mission

THE ECUMENICAL COUNCIL FOR CORPORATE RESPONSIBILITY (ECCR)

DIRECTORS' REPORT for the year ended 31st May 2012 (Continued)

FINANCIAL REVIEW

Results for the year

A summary of the year's results can be found on page 9 of this report and accounts

During the year, total incoming resources amounted to £77,430 (2011 £89,736) The primary component, £54,968, related to grant income The other major items include the subscriptions (£10,121) and donations (£1,320) received by the Company

Resources expended totalled £67,960 (2011 £100,911), with 97% (£65,818) being expended on direct charitable activities Governance costs totalled £2,142 Net movement in funds, therefore, were £9,470 (2011 £100,911)

Investments

The Company holds nominal amount of shares in various companies ECCR holds these shares so that we can engage with respective companies

Policy on reserves

At the end of the financial year, the total unrestricted reserves of the charity amounted to £64,646 (2011 £60,627) Of this, £53,000 is designated for a reserve for future activities

FUTURE PLANS

The Company intends to continue to review its spending plans and needs and to make every effort to manage its existing assets as efficiently as possible in order to generate the income necessary to achieve the charity aims At all times the Company plans to carry out its activities in accordance with its charitable objects

CHAIRMAN'S REPORT

As our financial and political establishment continues to be rocked by scandal it is increasingly clear that an economy based on short-term profits at the expense of communities, ethics and the natural world is both unsustainable and morally questionable

ECCR's vision of a world where financial and ethical interests work in tandem is more pertinent than ever Our work continues to find practical and positive ways to make that vision a reality

This year we developed projects on several familiar themes, notably vulnerable workers and the extractive industries Our report on The Banks and Society, launched last year, continues to be well used and remains highly relevant and we were pleased to note that the Kay Review, recently published by the UK government, shared our concern about the short-termism of our financial system

Despite the continuity of our programme, this has been a year of transition for ECCR Miles Litvinoff, our co-ordinator since 2005, moved on in September 2011 This prompted a period of strategic review, one result of which was the recent appointment of John Arnold as our new executive director 2011/12 was also the year in which we welcomed Rt Rev William Kenney, Auxiliary Bishop in the Roman Catholic Archdiocese of Birmingham, to sit alongside Lord (Richard) Harnes of Pentregarth, former Bishop of Oxford, as our patron

We are extremely grateful to everyone who has contributed to ECCR's work in this transitional phase

Lee Coates OBE
Chair

**THE ECUMENICAL COUNCIL FOR CORPORATE
RESPONSIBILITY (ECCR)**

DIRECTORS' REPORT
for the year ended 31st May 2012 (Continued)

STATEMENT OF 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,
- observe methods and principles in the Charities SORP,
- make judgments and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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.

So far as each of the directors is aware at the time the report is approved

- there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

AUDITORS

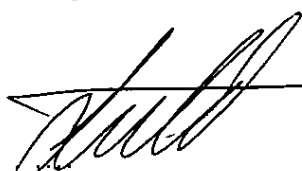
A resolution proposing the re-appointment of A J Carter & Company as auditors to the charitable company will be put to the final general meeting of the year

The directors have prepared this report in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

This report was approved by the Directors on

31 October

2012



L V Coates - Director

THE ECUMENICAL COUNCIL FOR CORPORATE RESPONSIBILITY (ECCR)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

We have audited the financial statements of The Ecumenical Council for Corporate Responsibility (ECCR) for the year ended 31st May 2012 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008).

This report is made solely to the charitable 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 charitable 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Directors and Auditor

As explained more fully in the Directors' Responsibilities Statement on page 7, the directors (who are also the trustees of the charitable activities for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that the charitable company's financial statements give a true and fair view.

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 Standard for Auditors.

Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on Financial Statements

In our opinion, the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31st May 2012 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**THE ECUMENICAL COUNCIL FOR CORPORATE
RESPONSIBILITY (ECCR)**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS (continued)

Opinion on Other Matter Prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Annual 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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us or
- the financial statements are not in agreement with the accounting records and returns or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime

MDA Gyde FCA DChA
(Senior Statutory Auditor)

for and on behalf of A J Carter & Co
Statutory Auditors
22b High Street
Witney
Oxon
OX28 6RB

21st Nov.

2012

**THE ECUMENICAL COUNCIL FOR CORPORATE
RESPONSIBILITY (ECCR)**

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an income and expenditure account)
for the year ended 31st May 2012

Notes	General £	Designated £	Restricted £	Total £	2011 Total £
Incoming Resources					
<i>Incoming resources from generated funds</i>					
2 Voluntary income	66,497	-	9,785	76,282	89,577
Investment income - interest and dividends	<u>1,148</u>	-	-	<u>1,148</u>	<u>159</u>
Total incoming resources	<u>67,645</u>	-	<u>9,785</u>	<u>77,430</u>	<u>89,736</u>
Resources Expended					
4 Charitable activities	61,249	-	4,569	65,818	97,515
5 Governance costs	<u>2,142</u>	-	-	<u>2,142</u>	<u>3,396</u>
Total resources expended	<u>63,391</u>	-	<u>4,569</u>	<u>67,960</u>	<u>100,911</u>
6 Net expenditure for the year and outgoing resources	4,254	-	5,216	9,470	(11,175)
Unrealised loss on fixed asset investments	(235)	-	-	(235)	380
TOTAL FUNDS brought forward	<u>7,627</u>	<u>53,000</u>	-	<u>60,627</u>	<u>71,422</u>
TOTAL FUNDS carried forward	<u>£11,646</u>	<u>£53,000</u>	<u>£5,216</u>	<u>£69,862</u>	<u>£60,627</u>

There are no recognized gains or losses other than those shown in the Statement of Financial Activities

The notes on pages 11 to 13 form part of the financial statements

**THE ECUMENICAL COUNCIL FOR CORPORATE
RESPONSIBILITY (ECCR)**

BALANCE SHEET		31st May 2012		2011
		£	£	£
Notes				
	FIXED ASSETS			
7	Investments		1,063	<u>1,298</u>
	CURRENT ASSETS			
	Prepayments and accrued income	1,003		6,552
	Bank accounts	<u>85,399</u>		<u>62,817</u>
		<u>86,402</u>		<u>69,369</u>
	CREDITORS Amounts falling due within one year			
	Accruals	8,558		2,150
8	Deferred income	<u>9,045</u>		<u>7,890</u>
		<u>17,603</u>		<u>10,040</u>
			<u>68,799</u>	<u>59,329</u>
9	NET ASSETS		<u>£69,862</u>	<u>£60,627</u>
	Represented by			
	General fund		11,646	7,627
	Designated fund		53,000	53,000
	Restricted fund		<u>5,216</u>	<u>-</u>
			<u>£69,862</u>	<u>£60,627</u>

These accounts are prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies, and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Approved by the Board of Directors on *31st October* 2012 and signed on its behalf by

Raymond Singh

R Singh - Director

The notes on pages 11 to 13 form part of the financial statements

**THE ECUMENICAL COUNCIL FOR CORPORATE
RESPONSIBILITY (ECCR)**

**NOTES TO THE ACCOUNTS
for the year ended 31st May 2012**

1 Accounting Policies

i) Accounting Convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Statement of Recommended Practice, Accounting for Charities (revised 2005). They incorporate the results of the principal activities which are described in the directors' report and which are continuing.

ii) Income

Donations and voluntary income are accounted for when received by the charitable company.

Other income is accounted for on an accruals basis so far as it is prudent to do so.

iii) Fixed Asset Investments

Fixed asset investments are stated at market value.

2 Voluntary Income

	General	Designated	Restricted	Total 2012	Total 2011
	£	£	£	£	£
Subscriptions	10,121	-	-	10,121	9,993
Grant income (note 3)	54,968	-	9,785	64,753	78,375
Event and publication sales	88	-	-	88	158
Donations	1,320	-	-	1,320	1,051
	<u>£66,497</u>	<u>£ -</u>	<u>£9,785</u>	<u>£76,282</u>	<u>£89,577</u>

3 Grant Income

	2012	2011
	£	£
CCLA	7,000	1,500
Christian Aid	5,000	5,000
Cordaid	25,918	29,511
Ethical Giving	2,000	2,000
Ferguson Trust	-	10,000
Methodist Church	-	1,000
Missionary Society of St Columban	2,500	2,500
National Ethical Investment Week	500	500
Polden Puckham Charitable Foundation	-	7,000
Joseph Rowntree Charitable Trust	5,050	5,000
St Patrick's Missionary Society	-	1,340
Souter Charitable Trust	-	2,000
Stockwell Charitable Trust	-	250
Trócaire	-	8,270
URC	-	2,000
Worcester Diocesan Social Responsibility Fund	-	504
The Co-operative Group	-	-
EIRIS Foundation	-	-
Society of Jesus Trust	4,000	-
Legacy - F Aitken	2,000	-
Rathbone	<u>1,000</u>	<u>-</u>
	<u>£54,968</u>	<u>£78,375</u>

**THE ECUMENICAL COUNCIL FOR CORPORATE
RESPONSIBILITY (ECCR)**

**NOTES TO THE ACCOUNTS
for the year ended 31st May 2012 (continued)**

4	Charitable Activities	General	Designated	Restricted	Total 2012	Total 2011
		£	£	£	£	£
	Support Costs					
	Rent	1,200	-	-	1,200	1,200
	Co-ordination and fundraising	11,478	-	-	11,478	45,290
	Finance and administration	10,025	-	-	10,025	10,657
	Church relations and membership development	12,970	-	-	12,970	10,763
	Research costs	16,812	-	-	16,812	19,402
	Facilitation, consultancy and SAGE support	522	-	-	522	-
	Grants to third parties from external donors	-	-	4,569	4,569	-
	Telephone and office	1,185	-	-	1,185	1,793
	Printing, postage and stationery	3,334	-	-	3,334	5,031
	Events and travelling	1,593	-	-	1,593	2,092
	Website costs	616	-	-	616	493
	Insurance	734	-	-	734	127
	Subscriptions	576	-	-	576	607
	Bank charges	204	-	-	204	60
		<u>£61,249</u>	<u>£ -</u>	<u>£4,569</u>	<u>£65,818</u>	<u>£97,515</u>
5	Governance Costs					
	Audit	1,680	-	-	1,680	1,260
	Legal costs	-	-	-	-	2,056
	Board costs	462	-	-	462	80
		<u>£2,142</u>	<u>£ -</u>	<u>£ -</u>	<u>£2,142</u>	<u>£3,396</u>
6	Net Incoming Resources				2012	2011
					£	£
	The net incoming resources after charging					
	Auditors' remuneration				1,680	1,260
	Staff costs				Nil	Nil

The charitable company does not have any staff costs. Its functions are performed by self employed workers and through partnership agreements.

**THE ECUMENICAL COUNCIL FOR CORPORATE
RESPONSIBILITY (ECCR)**

**NOTES TO THE ACCOUNTS
for the year ended 31st May 2012 (continued)**

7	Fixed Asset Investments	2012	2011
	Listed investments - market value	<u>£1,063</u>	<u>£1,298</u>

8	Deferred Income	2012	2011
		£	£
	Grant Income	9,000	7,790
	Subscriptions	45	90
	Donations	<u>-</u>	<u>10</u>
		<u>£9,045</u>	<u>£7,890</u>

9 **Analysis of Net Assets between Funds**

	General Fund	Designated Fund	Restricted Fund	Total 2012	Total 2011
	£	£	£	£	£
Fixed assets	1,063	-	-	1,063	1,298
Current assets	23,617	53,000	9,785	86,402	69,369
Current liabilities	(13,034)	-	(4,569)	(17,603)	(10,040)
Net Assets	<u>£11,646</u>	<u>£53,000</u>	<u>£5,216</u>	<u>£69,862</u>	<u>£60,627</u>

The directors have designated an amount of £53,000 as a contingency fund for the purposes of smoothing out fluctuations of grant income in order to maintain the work of ECCR

10 **Related Party Transactions**

There were no transactions with the directors or any other related parties during the year ended 31st May 2012 (2011 - none)