

THE ECUMENICAL COUNCIL FOR CORPORATE RESPONSIBILITY (ECCR)

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

Registered in England and Wales No. 02764183
Charity Registration No. 1139618

Directors Report and Financial Statement
Year Ended 31st May 2015

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THE ECUMENICAL COUNCIL FOR CORPORATE RESPONSIBILITY

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

REFERENCE AND ADMINISTRATIVE DETAILS

Directors

Rt Revd Michael Doe (Chair)
Lee Coates OBE (Vice Chair)
Christopher Stockwell (appointed to Vice Chair, December 2014)
Rev. Raymond Singh
Steve Hucklesby
Janet Lynch (resigned as Board Member in December 2014)
Rev. Frank Nally (resigned as Board Member in 2014)
Sr. Daphne Norden (resigned as Board Member in 2014)
Rev. Daniel Otieno-Ndale (resigned as Board Member in 2014)
Revd Canon Angela Overton-Benge
Maranda St. John Nicolle

Company Secretary

Patrick Hynes

Treasurer

Christopher Stockwell

Principal Address

C/O The United Society (Us.)
Harling House
47-51 Great Suffolk Street
London
SE1 0BS

Charity Registration Number: 1139618

Company Registration Number: 02764183

Principal Bankers:

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

Lloyds Bank plc
130 High Street
Cheltenham, GL50 1EW

Triodos Bank
Deanery Road
Bristol, BS1 5AS

THE ECUMENICAL COUNCIL FOR CORPORATE RESPONSIBILITY (ECCR)
ECCR DIRECTORS' REPORT
for the year ended 31st May 2015

The directors present their report and the audited financial statements for the year ended 31st May 2015 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 it believed needed to be changed. ECCR therefore decided to explore the route of using church shareholdings as a basis for dialogue with companies. In 2008 the Christian Ethical Investment Group, founded in 1998, merged with ECCR.

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 5th July 2010. It is incorporated in England and Wales (Company Number 02764183) 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 representatives of ECCR's corporate and individual membership and inviting 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 is aware of the progress and development of the activities carried out in the name of the Company.

THE ECUMENICAL COUNCIL FOR CORPORATE RESPONSIBILITY (ECCR)
ECCR DIRECTORS' REPORT
for the year ended 31st May 2015 (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 to deal with major operational issues. In implementing the organisation's work they are assisted by the role of Treasurer and by a paid secretariat of three - one employee and two working on a self-employed basis (1.5 full-time equivalent) staff.

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 a failure to achieve the company's objectives and can only provide reasonable and not absolute assurance against material misstatements or loss.

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.

While there are now many campaigning organisations focussing on responsible business and investment, both generally and with regard to particular issues such as Climate Change and Human Trafficking, ECCR claims to be distinctive in three ways:

- bringing the perspective and contribution of Faith, and the Christian Faith in particular.
- relating to the way that Churches, and individual Christians, make and monitor their investments.
- working directly with churches nationally and locally to raise the profile and encourage practical action in the relationship between Faith and the issues of business, human rights and environmental stewardship.

Review of Charitable Activities

The main activities undertaken by ECCR to address its objectives during the financial year to 31st May 2015 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.
- Joint advocacy with other organisations, urging policy makers and regulators to act on such issues as taxation, corporate greenhouse gas reporting, banking standards, income inequality, 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 was given to the following issues - reviewing the key ethical issues in relation to pay inequality, Fossil Fuel investment, highlighting the impact on communities of oil spills in the Niger Delta developing the Ethical Money Churches project and initiating our joint project on human trafficking.

THE ECUMENICAL COUNCIL FOR CORPORATE RESPONSIBILITY (ECCR)
ECCR DIRECTORS' REPORT
for the year ended 31st May 2015 (Continued)

PERFORMANCE AND ACHIEVEMENTS

Supporters and partners gathered at Southwark Cathedral in October to celebrate ECCR's Silver Anniversary. The afternoon began with a Thanksgiving Service at which ECCR Patron Lord Harries of Pentregarth preached on what has been achieved so far, and the many challenges which remain. ECCR's other Patron, Bishop William Kenney, gave the Blessing. This was followed by a Panel Debate on 'Investing in Equality', led by Catherine Howarth from ShareAction, former MP John Battle, and Toby Quantrill from Christian Aid.

With the support of corporate member Quaker Peace & Social Witness, ECCR prepared a joint report 'Using Ethical Investment to Close the Gap – Fair Pay' which gives an overview of key ethical issues in relation to pay inequality. Specific recommendations were made on:

- Tackling low pay & insecure work
- Transparency about pay inequality & remuneration consultants
- Including worker representatives on company boards & remuneration committees
- Greater investment in employee development & succession planning

The aim of the report is to inform debate and provide a foundation for interested stakeholders wishing to understand the issues or engage with the companies, fund managers and pension fund trustees.

Our 'Ethical Money Churches' (EMC) three year research & development project continued into its second year with financial support from the Stockwell and Friends Provident Trusts. Our focus this year has been on the South West where over twenty churches are now participating and we are beginning to see the project's impact. Churches have been developing ethical investment criteria, setting up finance committees, hosting community events and discussing topics which they would not normally feel comfortable talking about. A conference – 'Your Faith Your Finance and the Common Good' will be bringing the participating groups together in 'Good Money Week' - October 2015.

In Nigeria our partner SACA continued to work on a research and evaluation project to bring understanding and insight into the strengths and weaknesses of Shell's Global Memorandum of Understanding (GMOU) process through selected community case studies. The aim is to identify shortcomings in the process and propose ways in which Shell's impact on Niger Delta communities could be significantly improved. Father Kevin of SACA made a presentation at our Oxford conference and met with the Church Investors Group to inform and gain support to engage further with Shell in Nigeria.

We participated with others in the successful BP & Shell shareholder special resolutions to direct the companies to additional annual reporting in relation to management of the companies' carbon footprint and responsiveness to climate change issues. We joined other members of Publish What You Pay in engaging with the Dept. for Business, Innovation and Skills about the industry guidance on how to report on payments by the extractives sector. We contributed to the Interfaith Center on Corporate Responsibility initiative to re-confirm clothing brands' & retailers' commitment to the ACCORD initiative on financial capacity and human rights in Bangladesh. We joined with the London Mining Network in supporting the declaration in support of PAX and human rights work in the coal mining region of Cesar, Colombia.

ECCR regional groups are an essential part of our work. The Oxford Group organised a conference in February – 'The Cost of Life on Earth - companies, climate change and your money'. Over 100 people attended an opening dinner, at which Tessa Tennant, co-founder of the UK Sustainable Investment and Finance Association (UKSIF), and Sir Mark Moody-Stuart, previously chairman of the Royal Dutch/Shell group and non-executive chair of Anglo-American plc, spoke to economic alternatives, green investment and the perspective of industry. The conference looked at the relationship between investment decisions made by companies and climate and environmental impacts. It encouraged people to engage and lobby,

and to make active choices through divestment, positive impact investment, and engagement with companies through dialogue and shareholder action.

The Birmingham group is planning involvement in issues relating to the banking standards, financial exclusion and development of an Ethical Money Churches project in the West Midlands. As the EMC project develops we will be looking to develop the ECCR network of groups and through our guidance and research provide opportunities for the groups and individuals to become involved in engagement activities.

Our joint project with Finance Against Trafficking, Us (formerly USPG) and Rathbone Greenbank on the business risks arising from human trafficking and the impact of the Modern Slavery Act was initiated in January. The full report is expected to be published towards the end of 2015.

We have published a monthly e-Newsletter giving news from the Churches and other sources in the areas of economic justice, human rights and environmental sustainability. The mailing list is now approaching 1000 readers.

Our thanks to Janet Lynch, Ian Halstead, Victoria Heath, Fr Frank Nally, Sr Daphne Norden and Rev. Daniel Otieno-Ndale who have retired as Directors for their service on the board.

THE ECUMENICAL COUNCIL FOR CORPORATE RESPONSIBILITY (ECCR)
ECCR DIRECTORS' REPORT
for the year ended 31st May 2015 (Continued)

FINANCIAL REVIEW

Results for the Year

A summary of the year's results can be found on page 8 of this report and accounts.

During the year, total incoming resources amounted to £68,005 (2014: £90,447). The primary component, £50,637, related to grant income. The other major items include the subscriptions (£14,548) and donations (£2,727) received by the Company.

Resources expended totalled £73,591 (2014: £123,698) with 99% £72,991 being expended on direct charitable activities. Governance costs totalled £600. Net movement in funds, therefore, was £5,586 (2014: £33,251).

Investments

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

Reserves

At the end of the financial year, the total unrestricted reserves of the charity amounted to £9,955 (2014: £20,624).

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. The Trustees are committed to ensuring the future of the organisation by putting its finances on a secure and sustainable basis. At all times the Company plans to carry out its activities in accordance with its charitable objectives.

CHAIRMAN'S REPORT

Has there ever been a time when the resources of Faith were more urgently needed to address the issues of the day? When we want all the benefits of Globalisation, but none of the concomitant migration and asylum-seeking... who is my neighbour? When Inequality in the U.K. is returning to the levels of the 1930's, and the penalties of casino capitalism are being served on those least responsible for the problems and most in need of support... are I my brother's (and sister's) keeper? When we edge nearer and nearer to environmental disaster, yet still prefer to invest in fossil fuels rather than sustainable alternatives... is Creation a gift to be shared or a commodity to be exploited? When economic power is vested in increasingly complex and secretive systems way beyond any democratic control... how can we witness to the power and purposes of God against what St Paul called the "principalities and powers of this world"?

For the past twenty five years ECCR has been calling people of Faith to address these issues. In the last year we have done so through our seminar at Southwark Cathedral and our Oxford Conference, the Ethical Money Churches project, our monthly e-Newsletter, and many other ways.

As I come to the end of my three year term as Chair of Trustees, I thank our staff and my fellow Trustees for their support. Our hope is that in this next period we will find some new and enthusiastic Trustees, and additional funding resources to help us move the work forwards. There's a lot of talk these days about "Church Growth", but in the end what matters is not the numerical size of the Church, but how far we are bringing the resources and challenges of our faith to the political and economic realities of our world.

Rt Revd Michael Doe
Chair

THE ECUMENICAL COUNCIL FOR CORPORATE RESPONSIBILITY (ECCR)
DIRECTORS' REPORT
for the year ended 31st May 2015 (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 UK Generally Accepted Accounting Practice (UK 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 for that period. In preparing these financial statements, the directors are required to select suitable accounting policies and then apply them consistently; make judgements 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 also required to observe the methods and principles in the Charities SORP.

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. The directors 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.

This report has been prepared in accordance with the special provisions in Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

This report was approved by the Directors on 3rd December 2015


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Rt Revd Michael Doe – Chair & Director

THE ECUMENICAL COUNCIL FOR CORPORATE RESPONSIBILITY (ECCR)

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an income and expenditure account)

for the year ended 31st May 2015

Notes		General £	Restricted £	2015 Total £	2014 Total £
	Incoming Resources				
	<i>Income resources from generated funds</i>				
2 & 3	Voluntary Income	38,276	29,637	67,913	90,361
	Investment Income-interest and dividends	92		92	86
			-		
	Total incoming resources	<u>38,368</u>	<u>29,637</u>	<u>68,005</u>	<u>90,447</u>
	Resources Expended				
4	Charitable activities	48,476	24,515	72,991	122,936
5	Governance costs	600		600	762
	Total resources expended	<u>49,076</u>	<u>24,515</u>	<u>73,591</u>	<u>123,698</u>
6	Net expenditure for the year and outgoing resources	-10,708	5,122	-5,586	-33,251
	Unrealised gain/(loss) on investments	38		38	7
	Transfers between funds	-	-	-	-
	TOTAL FUNDS brought forward	<u>20,624</u>	<u>1,131</u>	<u>21,755</u>	<u>55,000</u>
	TOTAL FUNDS carried forward	<u>9,955</u>	<u>6,253</u>	<u>16,208</u>	<u>21,756</u>

THE ECUMENICAL COUNCIL FOR CORPORATE RESPONSIBILITY (ECCR)

BALANCE SHEET as at 31st May 2015

Notes		2015 £	2014 £
	Fixed Assets		
7	Investments	1,160	1,121
	Current assets		
8	Debtors and accrued income	12,005	5,200
	Bank accounts	17,385	21,255
		<u>29,390</u>	<u>26,455</u>
	Creditors: amounts falling due within one year		
9	Accruals	<u>-14,342</u>	<u>-5,820</u>
	Net current assets	15,048	20,635
10	NET ASSETS	<u>16,208</u>	<u>21,756</u>
10	Represented by:		
	General Fund	7,455	20,624
	Restricted Fund	8,753	1,132
	Shareholders' funds	<u>16,208</u>	<u>21,756</u>

For the financial year in question the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

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

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Directors on 3rd December 2015 and signed on its behalf by:

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Director:

Rt Revd Michael Doe (Chair)

Company Registration No. 02764183

THE ECUMENICAL COUNCIL FOR CORPORATE RESPONSIBILITY (ECCR)

NOTES TO THE ACCOUNTS for the year ended 31st May 2015

1 Accounting policies

1.1 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) (FRSSE) and the Statement of Recommended Practice (SORP), Accounting for Charities. They incorporate the results of the principal activities which are described in the Directors' report and which are continuing.

1.2 Income

Donations are accounted for when received by the charitable company.

Grant income and subscriptions are accounted for on an accruals basis so far as it is prudent to do so.

1.3 Fixed Asset Investments

Investments are stated at market value.

2 Voluntary Income

	General	Restricted	2015 Total	2014 Total
	£	£	£	£
Subscriptions	14,548	-	14,548	20,154
Grant Income (note 3)	21,000	29,637	50,637	65,148
Event and publication sales	0	-	0	46
Donations	2,727	-	2,727	5,013
	<u>38,276</u>	<u>29,637</u>	<u>67,913</u>	<u>90,361</u>

3 Grant Income

	General	Restricted	2015 Total	2014 Total
	£	£	£	£
CCLA Investment Management	5,750		5,750	5,000
Christian Aid	5,000		5,000	5,000
Missionary Society of St Columban	2,000		2,000	2,000
National Ethical Investment Week			0	500
Joseph Rowntree Charitable Trust	5,000		5,000	5,833
Rathbone Greenbank	750		750	1,000
United Reform Church			0	2,000
Stockwell Trust (General and EMC)	2,500	2,500	5,000	10,000
All Churches Trust (EMC)			0	2,000
Friends Provident Foundation (EMC)		20,137	20,137	13,935
MB Reckitt Trust (EMC)			0	8,000
Misereor (FPIC)			0	7,380
PIPlinks (FPIC)			0	2,500
US (Stop the Traffik)		7,000	7,000	
	<u>21,000</u>	<u>29,637</u>	<u>50,637</u>	<u>65,148</u>

THE ECUMENICAL COUNCIL FOR CORPORATE RESPONSIBILITY (ECCR)

NOTES TO THE ACCOUNTS for the year ended 31st May 2015 (continued)

4 Charitable Activities

	General	Restricted	2015 Total	2014 Total
	£	£	£	£
Support Costs				
Rent	-	-	0	1,200
Co-ordination and fundraising	23,780	9,350	33,130	54,826
EMC Project Manager	9,963	5,507	15,470	8,002
Finance and administration	7,141	1,575	8,716	9,002
Church relations and membership development			0	9,445
Research costs			0	1,734
Facilitation and consultancy	222	138	360	3,308
Grants to third parties from external donors	0	5,500	5,500	25,903
Telephone and office costs	384	145	529	1,569
Printing, postage and stationery	2,202	330	2,533	513
Events and travelling	1,417	1,875	3,293	3,553
Website costs	508	68	575	2,651
Insurance	0	0	0	175
Subscriptions	2,752	26	2,778	702
Bank charges	107	-	107	353
	<u>48,476</u>	<u>24,515</u>	<u>72,991</u>	<u>122,936</u>

5 Governance Costs

Audit	-	-	0	102
Independent Examination	600	-	600	660
Board costs	-	-	-	-
	<u>600</u>	<u>-</u>	<u>600</u>	<u>762</u>

6 Net Outgoing Resources

	2015 £	2014 £
The net outgoing resources are after charging:		
Auditor's remuneration	<u>0</u>	<u>102</u>
Staff costs		
Gross Salaries	59,670	72,667
Employer NIC	-	6,314
	<u>59,670</u>	<u>78,981</u>

The majority of the charitable company's functions are performed by self employed workers and through partnership agreements. No employees received emoluments of over £60,000 and the Directors, as in the prior year, did not receive any remuneration.

THE ECUMENICAL COUNCIL FOR CORPORATE RESPONSIBILITY (ECCR)

**NOTES TO THE ACCOUNTS
for the year ended 31st May 2015 (Continued)**

7 Fixed Asset Investments	2015	2014
	£	£
Listed investments-market value	1,160	1,121
8 Debtors	2015	2014
	£	£
Subscription debtors	-	2,405
Prepaid	160	160
Accrued income	9,495	2,635
Total Debtors	9,655	5,200
9 Creditors: amounts falling due within one year	2015	2014
	£	£
Accruals	14,342	5,820

10 Analysis of Net Assets between Funds

	General	TFKG	EMC	2015	2014
	£	Restricted	Restricted	Total	Total
	£	£	£	£	£
Fixed Assets	1,160	-		1,160	1,121
Current assets	23,137	0	6,253	29,390	26,455
Current liabilities	-14,342	-		-14,342	-5,820
				0	0
Net Assets	9,955	0	6,253	16,208	21,756

Restricted funds analysis:	TFKG	EMC	2015	2014
	Restricted	Restricted	Total	Total
			Restricted	Restricted
Restricted Funds b/f	-	1,131	1,131	17,118
Income	7,000	22,637	29,637	36,315
Expenditure	-7,000	-17,515	-24,515	-52,301
Movement of net resources	0	5,122	5,122	-15,986
Restricted Funds c/f	0	6,253	6,253	1,132

TFKG is the Stop the Traffik project.
EMC is the Ethical Money Churches project.

11 Related Party Transactions

There were no transactions with the directors or any other related parties during the year ended 31 May 2015 (2014-none).