

# **The Ethical Property Foundation**

## **Annual Report and Accounts 2010/11**

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# Legal and administrative information

<b>Registered charity name:</b>	The Ethical Property Foundation
<b>Charity registration number:</b>	1101812
<b>Company registration number:</b>	04756158 (Company limited by guarantee)
<b>Registered office:</b>	Development House 56 – 64 Leonard Street London EC2A 4LT
<b>Trustees:</b>	
J S Broad	
D J Hunter	
E Kotze	
D I Lipfriend	
W J Scott	
JNH Whitaker	
P Allen	(resigned 26 January 2011)
<b>Company secretary:</b>	
J C Taylor	(resigned 11 May 2011)
LE Rafferty	(appointed 11 May 2011)
<b>Director:</b>	J C Taylor
<b>Bankers:</b>	The Co-operative Bank 1 Balloon Street Manchester M60 4EP
<b>Auditors:</b>	Critchleys LLP Greyfriars Court Paradise Square Oxford OX1 1BE
<b>Governing document:</b>	Memorandum and Articles of Association (dated 17 April 2003 and modified October 2009)
<b>Website:</b>	<a href="http://www.ethicalproperty.org.uk">www.ethicalproperty.org.uk</a>

# **The Ethical Property Foundation**

## **Report of the Trustee Board**

**for the year ended 30 September 2011**

## **Objectives and activities**

### **Our Vision:**

A world where the use of buildings helps people, the community, and the planet

### **Our Values:**

- **Responsibility:** The Foundation seeks to balance the interests of all involved in a building in fulfilling their responsibilities for people, the community, and the planet
- **Equality:** All people involved with buildings should have the right to play a part in their use, have the power to play their part, and fulfil their rights and responsibilities in using buildings responsibly
- **Empowerment:** Everyone contributing to the Foundation's work or benefiting from it should feel enabled to help make buildings work better for people, the community, and the planet
- **Accountability:** Focusing on outcomes, we hold ourselves accountable in what we do – and we expect the same standards from others

### **Our Mission:**

- **Our purpose**  
We work with others to improve the environmental and social performance of buildings
- **Our beliefs**
  - All use of buildings should be based on more than profit
  - Buildings can be used to deliver financial, social and environmental returns
  - Use of buildings should balance the interests of owners, managers, tenants, staff and the community
  - Balancing the interests of all stakeholders in a building involves changing behaviour
  - Balancing the interests of all stakeholders in a building challenges unequal power relations
  - Challenging unequal power relations requires access to knowledge, resources and advice
  - All involved with a building can work together as a positive force in society
- **Our identity:**
  - We are an independent UK charity, affiliated to the Ethical Property family
  - We are accountable both to those who support us and to those we seek to benefit
  - We aim to provide practical solutions in all that we do
  - We work to improve the environmental and social performance of buildings
  - We work to empower people to make more of the buildings they own, manage, occupy and use
  - We work to create positive relationships between building owners, managers, occupiers and users
- **Our culture:**  
We are dedicated to achieving our vision

We are driven by

- Our values
- Our passion
- Our energy
- Our commitment

Our ways of work are

- Action oriented
- Professional
- Accessible
- Practical

We strive to be

- Innovative
- Fair
- Collaborative

- **Our outcomes:**

The Foundation seeks two outcomes

- No charity suffers reduced effectiveness due to a lack of appropriate property support
- A commercial property sector driven by a triple (environmental, social and financial), rather than a single, financial, bottom line

## **Public benefit statement**

The Trustees confirm that they have complied with the duty in Part 2 of the Charities Act 2011 to have due regard to guidance in respect of public benefit published by the Charities Commission

The Trustees are satisfied that all the objectives and activities outlined in this report are undertaken for public benefit

## **Achievements and performance**

During the early part of 2011 the Board and staff went through a thorough strategic planning process. A new three-year Strategic Plan for the Foundation – to replace the previous one which had come to an end – came into effect on 1 October 2011 and will run until 30 September 2014. Targets for the Foundation to achieve in 2011-2012, set out below, are taken from the new Strategic Plan.

The Strategic Plan also sets out an ambitious target for the Foundation to earn 30% of its income by 2014 in order to become more financially independent and less dependent on grant funding. To help achieve this, the Foundation employed a Business Development Manager, appointed in May 2011, to develop new income-generation strategies.

The Strategic Plan also sets out a target to expand the Property Advice Service so that it covers the whole of England, not just London and the South West, with a launch date of January 2012. Preparations for this launch started in financial year 2010-11.

## **Objective 1: Property Advice Service**

- Providing information, support and professional advice on property issues to charities and community groups

Although almost all charities and community groups come into contact with the commercial property world through letting or buying a building to run their projects, few have the skills and experience needed to avoid costly mistakes. As a result, many spend unnecessarily large amounts of time and money dealing with property issues – resources that could be better spent on their charitable work. For many charities, property is the second biggest item of expenditure after the cost of employing staff.

The Foundation's unique Property Advice Service was launched in London in 2004 in response to the lack of affordable, independent property advice for small charities and community groups. In 2007 the service was extended to cover the South West, with the opening of our office in Bristol.

During 2010-2011 the service provided

- A jargon-free web-based guide to charity property issues
- Hands-on support to the least well resourced charities
- Access to free expert property advice via a Register of Property Professionals
- Charity focused property training

The service multiplies the impact of each £1 of its funding by helping charities reduce their property costs and risks, and use property to generate new income and opportunities

*'Our charity has been placed in a very difficult position by an unreasonable landlord – after 25 years of being in our accommodation our lease negotiations broke down (dramatically) and we have been served notice. The adviser has been very supportive to me throughout this pretty horrible time,'* feedback from client, 2011

#### **Key achievements:**

- 144 charities and community groups benefit from free property advice and support
- 56 charities and community groups referred to our Register of property professionals for free, or discounted-rate, professional advice
- 173 organisations signed up to use our website
- Approximately 13,000 page hits to the website
- Preparations were begun for launching a phone-based Property Advice Service available in the seven regions of England not already covered
- A Business Development Manager was appointed in May 2011 and started to develop new models of income-generation based on charging better-off VCS groups and public sector organisations for property consultancy services
- During the year we ensured that our Property Advice Service incorporated the provision of planning and development information

*'The property adviser was really helpful and helped us get in touch with many experts as this project was something I had no experience of,'* feedback from client, 2011

Of the charities and community groups to which we gave one-to-one advice during 2010-2011, 61% had a turnover of less than £100,000 and 48% had an annual turnover of less than £10,000

The ultimate beneficiaries of the Property Advice Service are the disadvantaged people and communities served by the charities we support. Organisations supported this year include those that work with children and families, the elderly, refugee and minority communities, and disabled people, and those who work to support the environment, the arts, and the developing world

By September 2011 the Foundation's Register of property professionals had 66 commercial property surveyors, valuers, agents, solicitors and architects. Monitoring and evaluation has shown that each charity referred to our Register of Property Professionals receives, on average, £600 worth of free professional advice

The Foundation has well-attended receptions in London and Bristol to celebrate the work of our Register of property professionals

During 2011-12 the Foundation welcomed 298 delegates to training events and workshops which have covered subjects including property management, asset transfer, taking on a lease, and reducing the environmental impact of premises

## **Objective 2: Ethical Workplaces**

The Ethical Property Foundation is leading on the development of an award to promote better management of workplaces – management that demonstrates respect for people and the planet

On 10 June 2011 we convened a workshop to present progress so far to 24 representatives of NGOs, universities, government departments and commercial property companies. This provided an opportunity to explain what had been done so far and to receive feedback and ideas for next steps. Participants confirmed that they would like the Ethical Property Foundation to continue to take the lead on this project. A number of issues were discussed,

including the framework for judging the award, and whether the mark could be given to buildings that housed organisations whose work might be considered to be unethical. Following a lively debate it was agreed that the award should be about the way in which the workplace was managed and not about the nature of the businesses run from the building. Another issue that arose was that the name 'Ethical Workplaces' was unhelpful in that people have strong – and often very different – views about what is ethical. We have subsequently been working to find a new name, with support given, pro bono, from a branding expert. A draft business plan for Ethical Workplaces was prepared and suggests that, one up-and-running, the scheme will generate enough income to cover its costs. However, development funding is required to get it to the stage at which it can be launched. Despite significant interest from various potential funders, we were unable to secure development funding during 2010-2011, but will continue to explore opportunities.

### **Objective 3: supporting social change**

During the strategic planning process, it was agreed that the majority of the Foundation's work directly, or indirectly, supports social change. Consequently, it was decided that there was no need for 'supporting social change' to be highlighted as a stand-alone objective in the new Strategic Plan.

Specific examples of the way in which the Foundation's work supported social change during 2010-2011 include

#### **a) Kenyan Social Justice Centre**

The aim of this project is to bring the Ethical Property model to Kenya. This consists of

- Identifying demand from indigenous NGOs to come together in one centre
- Identifying suitable property to purchase
- Costing the project
- Designing a model to raise the capital required
- Identifying a local management team to take the project forward

In 2010-11, working together with a Nairobi base consultant, we were able to establish that demand for such a project from NGOs was high. A network of some 30 NGOs working on social justice and human rights and interested to move into a centre has been built. Given the difficulty of acquiring suitably modern property in Kenya, it was decided that a better option would be to work with an existing landowner to develop their land. To this end, three possible options were explored in detail, and the chosen partner was the Windle Trust Kenya, an East African group of NGOs with its international headquarters in Oxford. A feasibility study is currently being undertaken by an architect into the scope for building a centre on this land.

A detailed development appraisal has also been prepared, identifying the likely total cost of the project as being from £1.5 to £2 million. This model also defines how to raise the capital, through a society for the benefit of the community, and how it should then be invested into Kenya in order to give investors sufficient security and to maximise the return from the project. This work has been compiled into a full business plan for the project.

The project was less successful in identifying a local management team, as the Kenyan individual we had hoped would lead on the project was unable to do so because of poor health.

In the 2011-12 year, we are awaiting the outcome of the architect's feasibility study before proceeding further. If the land under study proves suitable, we will be able to form the UK-based investment vehicle and launch a share issue for the total amount required. A further visit to Kenya will be needed to further develop the agreement with the Windle Trust and to identify a local management team to work with. Further expenditure will also be required on preparing more detailed architectural plans for inclusion in the prospectus.

## **b) Property Advice support to SPARC Teams: case-study**

*Sparc Teams is based in the St Paul's area of Bristol and works with unemployed people to help them fulfil their potential – 'sparc' stands for 'successful people accessing remarkable careers' The organisation occupied office premises that belonged to Bristol City Council but were managed by a community based organisation which was, in effect, the landlord The landlord went into liquidation and their new one demanded payments without serving the appropriate legal notices In addition, the landlord was in breach of the licence agreement by not providing contracted services, such as heating, for three months*

*The Foundation supported SPARC Teams for several months providing one-to-one support in diagnosing the property problem, then developing a strategy to deal with it The Foundation obtained £1,200 worth of pro bono support from a solicitor on the Register of property professionals, attended meetings with legal advisers, and drafted a successful compensation claim for £1,800 In addition, we helped SPARC Teams find new premises Without premises, SPARC Teams would have been unable to help the very disadvantaged people they work with and deliver their contractual commitments The Foundation's support ensured that SPARC Teams secured appropriate premises, avoiding the risk of loss of income from contracts and potential closure*

## **Our funders:**

The Foundation is grateful to the Big Lottery Fund, Capacitybuilders, City Bridge Trust, Trust for London, Esmée Fairbairn Foundation, the Tudor Trust, London Councils, the Woodlark Trust, the Network for Social Change, the Funding Network South West, Quartet Community Foundation, Bristol City Council and the London Voluntary Service Council for their support for our work

## **Future Plans**

The following targets are drawn from the 2011-2014 Strategic Plan

### **1. Provision of property services to charities**

#### **1.1 Maintaining and developing the existing Property Advice Service**

We will continue to provide the existing Property Advice Service to small, under-resourced charities unable to pay for or access professional advice

Operate the existing Property Advice Service with the following targets

	Sept 2012
London cases	80
SW cases	50

- Maintain an engaged, active Register of Property Professionals with the following targets

	Sept 2012
London members	36
SW members	17

#### **1.2 Developing and launching a national Property Advice Service**

We will extend the geographical reach of the Property Advice Service England-wide This service will differ from the existing Property Advice Service offer in that it will be provided 'remotely' from existing office locations and therefore not include face-to-face support

- Develop the Register of property professionals to secure England-wide coverage with the following targets



	Jan 2012	Sept 2012
Register presence in each of 7 new English regions	Basic membership (1 solicitor and 2 surveyors)	4
Total in new regions	21	28
Total in England	71	81

- 'Go live' with the new Property Advice Service offer for charities across England by January 2012 with the following targets (NB These targets relate to the seven English regions not currently serviced, London and the South West are not included )

	Sept 2012
Cases	41 <sup>1</sup> (1 in 2000 charities)

### **1.3 Developing and selling paid-for Property Advice Service, training and bespoke Property Advice Consultancy.**

We will develop paid-for property services, targeting better-resourced charities. Income generation via these new and expanded services will form an integral part of achieving a sustainable financial model for the future provision of free at the point of delivery Property Advice Service to under-resourced charities.

## **2. Development and promotion of high industry standards**

The Foundation aims to raise public awareness of the need for and potential to improve the environmental and social performance of the commercial property sector, and promote adoption of high standards through its Ethical Workplaces award.

### **2.1 Leading the Ethical Workplaces initiative.**

The Ethical Workplaces initiative, initiated by the Foundation in 2009, has gained pace and support through a process of working groups and stakeholder meetings. Participating organisations have called for the Foundation to lead the initiative. Lead the partnership driving the Ethical Workplaces initiative.

<sup>1</sup> NB 75% of 2011/12 full year target (55 cases) as service launches in January

# Financial Review

## Overview

During the year the Foundation received income of £219,469 and spent £215,019. The Foundation therefore had an overall surplus of £4,450 for the year (2010 deficit of £2,359). With funds brought forward from previous years, the Foundation will carry forward £97,706 in reserves (2010 £93,256), of which £12,351 is restricted funding and £85,355 is unrestricted funding.

## Funding

£14,779, including a proportion of staff time and overheads, was spent on external fundraising during the year.

The Foundation would like to thank all the funders who have supported our work during this year.

Capacitybuilders  
City Bridge Trust  
Trust for London  
London Councils

Esmée Fairbairn Foundation  
Tudor Trust  
BIG Lottery Fund

## Reserves policy

The Trustees of the charity have a formal reserves policy in line with Charity Commission guidelines, which is appropriate to the future plans in terms of the size and growth of the organisation. The policy ensures for regular monitoring of the reserves levels and ensures that the costs of winding up the organisation and honouring all outstanding contracts would be fully met.

## Risk management

The Foundation maintains a risk register that is reviewed and updated on an annual basis. The major risks to which the charity is exposed, as identified by the trustees, have been reviewed and mitigated as part of this procedure.

# Structure, governance and management

The Foundation was established by its sister organisation the Ethical Property Company plc and registered as a company limited by guarantee in May 2003. The Foundation became a registered charity in January 2004.

The objects of the charity are to promote such purposes as may be charitable according to the laws of England and Wales and in particular to promote the efficiency and efficacy of charities.

The Foundation aims to empower 'consumers' of property, including charitable organisations and community groups, to make the most of property, and influence 'suppliers' of property, such as landlords and developers, to improve their environmental and social performance. The Foundation is governed by a Board of Trustees. The day to day business of the Foundation is delegated to the Director who reports to the Trustees. The Trustees meet quarterly to make medium to long-term decisions regarding the running of the Foundation.

The Board of Trustees takes responsibility for identifying gaps in its skills and finding suitable people to serve as Trustees. Trustee appointments are approved by the Foundation's sister organisation, the Ethical Property Company. Trustees serve a fixed term of 3 years, renewable only once. The Trustees are bound to ensure that they are not conflicted by any involvement in the Ethical Property Company and to ensure a quorum of Trustees who have no such connection.

The Foundation and Company work in partnership on a number of projects.

## Trustees' responsibilities

The Trustees are responsible for preparing the Annual Report and the accounts in accordance with applicable law and regulations

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

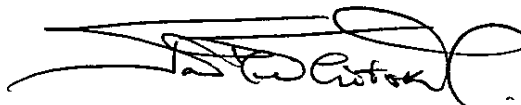
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in operation

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the Trustees are aware, there is no relevant audit information (information needed by the charity's auditors in connection with preparing their report) of which the charity's auditors are unaware, and each Trustee has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

This report was approved by the Board of Trustees on 9<sup>th</sup> May 2012 and signed on its behalf by

JNH Whitaker

A handwritten signature in black ink, appearing to read 'JNH Whitaker', written over a horizontal line.

# **Independent auditor's report**

## **to the members of the Ethical Property Foundation**

We have audited the accounts of The Ethical Property Foundation for the year ended 30 September 2011 which comprise the Statement of Financial Activities, the 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 charity'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 charity's members those matters we are required to state to them in an auditors' 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 charity and the charity'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 Trustees' Responsibilities Statement set out on page 12, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts 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 (APB's) Ethical Standards for Auditors.

### **Scope of the audit of the accounts**

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts 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 trustees, and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on accounts**

In our opinion the accounts

- give a true and fair view of the state of the charitable company's affairs as at 30 September 2011 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, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

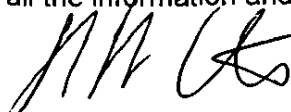
In our opinion the information given in the Report of the Trustee Board for the financial year for which the accounts are prepared is consistent with the accounts.

**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 accounts 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

Robert Kirtland  
Senior Statutory auditor  
For and on behalf of Critchleys LLP, Statutory Auditor



Oxford  
18/5/2012

# Statement of Financial Activities

## for the year ended 30 September 2011

	Unrestricted Funds 2011 £	Restricted Funds 2011 £	Total Funds 2011 £	Total Funds 2010 £
<b>Incoming Resources</b>				
<b>Incoming Resources from Charitable Activities</b>				
Property Advice Service	19,180	-	19,180	10,214
Ethical Workplaces	-	-	-	7,000
<b>Incoming Resources from Generated Funds</b>				
Grants received	60,000	139,523	199,523	169,269
Donations received	580	-	580	1,204
Interest income	186	-	186	108
<b>Total incoming resources</b>	<b>79,946</b>	<b>139,523</b>	<b>219,469</b>	<b>187,795</b>
<b>Resources Expended</b>				
Cost of Generating Funds	14,779	-	14,779	17,670
<b>Charitable Activities</b>				
Property Advice Service	-	161,704	161,704	142,903
Ethical Workplaces	-	17,507	17,507	9,216
IT Project	-	-	-	10,679
Kenyan Social Justice Centre	-	9,895	9,895	-
Governance Costs	11,134	-	11,134	9,686
<b>Total resources expended</b>	<b>25,913</b>	<b>189,106</b>	<b>215,019</b>	<b>190,154</b>
<b>Net incoming / (outgoing) resources for the year</b>	<b>54,033</b>	<b>(49,583)</b>	<b>4,450</b>	<b>(2,359)</b>
Transfers between funds	(55,415)	55,415	-	-
<b>Net movement in funds</b>	<b>(1,382)</b>	<b>5,832</b>	<b>4,450</b>	<b>(2,359)</b>
Funds Brought Forward at 30 September 2010	86,737	6,519	93,256	95,615
<b>Total funds carried forward at 30 September 2011</b>	<b>85,355</b>	<b>12,351</b>	<b>97,706</b>	<b>93,256</b>

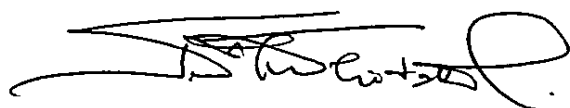
All activities are continuing

# Balance sheet

## 30 September 2011

	Note	2011 £	2010 £
<b>Current assets</b>			
Trade debtors		130	13,425
Accrued income		38,727	6,674
Prepayments		2,160	2,467
Cash at bank and in hand		114,916	89,618
		<b>155,933</b>	<b>112,184</b>
<b>Creditors - amounts falling due within one year</b>			
Deferred Income	9	47,486	5,250
Trade creditors		3,066	4,382
Accruals		7,675	9,296
		<b>58,227</b>	<b>18,928</b>
<b>Net current assets</b>		<b>97,706</b>	<b>93,256</b>
<b>Net assets</b>		<b>97,706</b>	<b>93,256</b>
		<b>£</b>	<b>£</b>
<b>Funds</b>			
Unrestricted		85,355	86,737
Restricted		12,351	6,519
		<b>97,706</b>	<b>93,256</b>

The accounts were approved and authorised for issue by the Trustees on 9 May 2012 and signed on their behalf by JNH Whitaker



JNH Whitaker

**Registered charity name:**

The Ethical Property Foundation

**Company registration number:**

04756158 (Company limited by guarantee)



# Notes to accounts

## 1. Accounting Policies

### a Basis of accounting

The accounts are prepared under the historical cost convention and in compliance with applicable accounting standards and the Companies Act 2006

### b Presentation of the accounts

The charity has adopted the Statement of Recommended Practice (SORP) 'Accounting and reporting by Charities' issued in 2005

### c Income and Expenditure

All items of income and expenditure, including grants receivable, are accounted for on an accruals basis. Where a grant is received where the donor has specified that part of this is to be expended in a future accounting period, this is included in deferred income and will be released to the Statement of Financial Activities in the year to which it relates. Support costs are allocated to charitable activities, the cost of generating funds and governance costs, on a proportionate basis.

### d Cost of Generating Funds

Included within this caption are all costs associated with external fundraising, including a proportion of staff time and support costs.

### e Governance Costs

Included within this caption are all costs associated with governing the charity, including a proportion of staff time and support costs. See note 6 for more detail.

### f Funds

Unrestricted funds represent funds of the charity that are not subject to any restrictions regarding their use.

Restricted funds are those which are specified for a particular use by their donor.

## 2. Taxation

The Foundation is a company and a registered charity. It has exemption from taxation on any trading profits which are applied for the purposes of the charity.

## 3. Restricted Funds

	1st Oct 10 £	Incoming Resources £	Resources Expended £	Transfers £	30th Sept 11 £
Property Advice Service	686	112,285	(161,704)	49,419	686
Planning Activism	433	-	-	-	433
Ethical Workplaces	-	11,510	(17,507)	5,996	-
Kenya Social Justice Centre	-	15,727	(9,895)	-	5,832
Supporting Social Change	5,400	-	-	-	5,400
	<b>6,519</b>	<b>139,522</b>	<b>(189,106)</b>	<b>55,415</b>	<b>12,351</b>

Details of all restricted funds including their nature and purpose are included within the trustees' report.

The balance in each restricted fund at the year-end is held in cash.

## 4. Liability of members

Every member of the Foundation undertakes to contribute a sum not exceeding £1 to the assets of the Foundation if it is wound up during his or her membership or within one year afterwards.

## 5. Capital commitments

There were no capital commitments either contracted for or authorised at 30 September 2011

## 6. Governance Costs

	2011 £	2010 £
Audit	1,790	1,700
Statutory Returns	16	15
Trustee Expenses	921	505
Trustee Meetings	292	749
Proportion of Staff Time and Office Overheads	8,115	6,717
	<u>11,134</u>	<u>9,686</u>

## 7. Staff Costs

	2011 £	2010 £
Wages and salaries	129,513	103,850
Employer's NI	11,733	9,603
Pension Costs	6,259	6,991
	<u>147,505</u>	<u>120,444</u>

The average number of full time equivalent employees employed throughout the year was 4.85 (2010 4.25) and no employee emoluments exceeded £60,000 during the year

## 8. Trustees' remuneration

There was no Trustees' remuneration during the year. Two Trustees (2010: two) were paid out of pocket expenses totalling of £1,525 (2010: £505) during the year.

## 9. Deferred Income

	£
Balance at 1 October 2010	5,250
Amounts released during the year	(5,250)
Amount deferred in the year	47,486
Balance at 30 September 2011	<u>47,486</u>

This represents grants received where the donor has specified that these are to be expended in a future accounting period.

## 10. Related Party Transactions

Trustee appointments are approved by the Foundation's sister organisation, the Ethical Property Company. The Foundation paid £12,868 to the Ethical Property Company during the year for provision of serviced office accommodation (2010: £7,698), £1,901 for IT support and equipment (2010: £1,321), and £18,750 (2010: £nil) for consultancy services. In 2010 the Foundation received a contribution of £7,000 from the Ethical Property Company towards the costs of a scoping study into the potential for an Ethical Workplaces quality mark.