

Company registration number 5278020
Charity registration number 1126451

Business Trading Ethically

(A company limited by guarantee)

Annual Report and Financial Statements
for the Period from 1 January 2010 to 28 February 2011

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Business Trading Ethically

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Business Trading Ethically
Reference and Administrative Details

Charity name	Business Trading Ethically
Charity registration number	1126451
Company registration number	5278020
Principal office	The Director General House 15 Rockstone Place Southampton Hampshire SO15 2EP
Registered office	The Director General House 15 Rockstone Place Southampton Hampshire SO15 2EP
Trustees	Dr Alan P Knight Mr Scott A Poynton Ms Louise C Thompson
Secretary	Trethrowans Services Limited
Bankers	The Co-operative Bank plc PO Box 250 Skelmersdale WN8 6WT
Accountant	CW Fellowes Limited Carnac Place Cams Hall Estate Fareham Hampshire PO16 8UY

Business Trading Ethically

Trustees' Report

The Trustees present their report and accounts for the period ended 28 February 2011

Structure, governance and management

The trustees who served during the year were

Dr Alan P Knight

Mr Scott A Poynton

Ms Louise C Thompson

Business Trading Ethically is a company limited by guarantee, constituted by the Memorandum and Articles of Association. It is a registered charity, number 1126451. The day to day running of the charity is managed by Mrs Hilary Thompson.

Risk assessments

The Trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

Objectives and activities

Business Trading Ethically is a registered charity established to promote high ethical standards of conduct and compliance with the law in business and professions in particular but not exclusively in the United Kingdom, India, China and Africa in the administration and management of businesses and commercial practices and protection of the natural environment.

Achievements and performance

The charity has been able to continue with its objectives, providing advice to businesses on how to operate with high regard for the ethical standards of conduct and compliance with the laws of their profession.

Financial review

The results for the period and financial position of the company are as shown in the financial statements which, in the opinion of the Trustees, show a reasonable result with end of period funds of £7,597 (2009 £16,457).

The results for the period show an overall deficit of £8,860 (year ended 31 December 2009 £9,927).

The Trustees are pleased to report that the company remains free of any loans.

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level sufficient that any sudden drop in funding would not stop the charity continuing in its activities.

The actual sum to be retained in the fund cannot be quantified due to the Trustees' inability to estimate the level of future activities.

Future Events

As of 1 March 2011 the charity has merged with another UK registered charity, The Forest Trust (Charity registration number 1114277).

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Business Trading Ethically
Trustees' Report

Approved by the Board and signed on its behalf by

A handwritten signature in black ink, appearing to be 'L C Thompson', written in a cursive style.

Ms Louise C Thompson
Trustee

Date 27/06/11

Independent Examiner's Report to the Trustees of Business Trading Ethically

I report on the accounts of the company for the period ended 28 February 2011, which are set out on pages 5 to 16

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to

- examine the accounts under section 43 of the 1993 Act,
- follow the procedures laid down in the General Directions given by the Charity Commission under section 43(7)(b) of the 1993 Act, and
- state whether particular matters have come to my attention


Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below

Independent examiner's statement

In connection with my examination, no matter has come to my attention

- (1) which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 386 of the Companies Act 2006, and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice Accounting and Reporting by Charitieshave not been met, or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached


Kevin Hudson FCA
CW Fellowes Limited
Chartered Accountants

Date 30/06/11

Carnac Place
Cams Hall Estate
Fareham
Hampshire
PO16 8UY

Business Trading Ethically

Statement of Financial Activities (including Income and Expenditure Account) for the Period Ended 28 February 2011

		Unrestricted Funds	Total Funds 1 January 2010 to 28 February 2011	Total Funds Year ended 31 December 2009
	Note	£	£	£
Incoming resources				
Voluntary income	3	3,890	3,890	6,647
Investment income	4	23	23	39
Online filing incentive		-	-	75
Incoming resources from charitable activities	5	23,539	23,539	31,882
Total incoming resources		<u>27,452</u>	<u>27,452</u>	<u>38,643</u>
Resources expended				
Charitable activities	6	31,388	31,388	43,747
Governance costs	6	4,924	4,924	4,823
Total resources expended		<u>36,312</u>	<u>36,312</u>	<u>48,570</u>
Net movements in funds		(8,860)	(8,860)	(9,927)
Reconciliation of funds				
Total funds brought forward		16,457	16,457	26,384
Total funds carried forward		<u>7,597</u>	<u>7,597</u>	<u>16,457</u>

The notes on pages 8 to 16 form an integral part of these financial statements

Business Trading Ethically (Registration number: 5278020)

Balance Sheet as at 28 February 2011

		28 February 2011		31 December 2009	
	Note	£	£	£	£
Fixed assets					
Tangible assets	12		449		966
Current assets					
Debtors	13	1,125		11,145	
Cash at bank and in hand		<u>11,056</u>		<u>13,756</u>	
		12,181		24,901	
Creditors: Amounts falling due within one year	14	<u>(5,033)</u>		<u>(6,076)</u>	
Net current assets			<u>7,148</u>		<u>18,825</u>
Total assets less current liabilities			7,597		19,791
Creditors: Amounts falling due after more than one year	15		<u>-</u>		<u>(3,334)</u>
Net assets			<u>7,597</u>		<u>16,457</u>
The funds of the charity:					
Unrestricted funds					
Unrestricted income funds			<u>7,597</u>		<u>16,457</u>
Total charity funds			<u>7,597</u>		<u>16,457</u>

The notes on pages 8 to 16 form an integral part of these financial statements

Business Trading Ethically (Registration number: 5278020)

Balance Sheet as at 28 February 2011

continued

For the financial period ended 28 February 2011, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies

The members have not required the charity to obtain an audit of its accounts for the period in question in accordance with section 476

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

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Approved by the Board on 27/04/11 and signed on its behalf by



Ms Louise C Thompson
Trustee

Company registration number 5278020

The notes on pages 8 to 16 form an integral part of these financial statements

Business Trading Ethically

Notes to the Financial Statements for the Period Ended 28 February 2011

2 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities (SORP 2005)', issued in March 2005, the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Companies Act 2006

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity

Further details of each fund are disclosed in note 18

Incoming resources

Donations are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when

- The donor specifies that the donation must only be used in future accounting periods, or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement

Incoming resources from tax reclaims are included in the statement of financial activities at the same time as the gift to which they relate

Investment income is recognised on a receivable basis

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract

Resources expended

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them

Governance costs

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage

Business Trading Ethically

Notes to the Financial Statements for the Period Ended 28 February 2011

Fixed assets

Individual fixed assets are initially recorded at cost

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows

Fixtures, fittings and equipment 25% straight line basis

Foreign currencies

Transactions in foreign currencies are translated into sterling at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates at the balance sheet date and the exchange differences are included in the statement of financial activities

Operating leases

Rentals payable under operating leases are charged in the statement of financial activities on a straight line basis over the lease term

3 Voluntary income

	Unrestricted Funds £	Total Funds 1 January 2010 to 28 February 2011 £	Total Funds Year ended 31 December 2009 £
Donations and legacies			
Gift Aid tax reclaimed	-	-	3,314
Grants			
Grants receivable	3,890	3,890	3,333
	<u>3,890</u>	<u>3,890</u>	<u>6,647</u>

Business Trading Ethically

Notes to the Financial Statements for the Period Ended 28 February 2011

4 Investment income

	Unrestricted Funds £	Total Funds 1 January 2010 to 28 February 2011 £	Total Funds Year ended 31 December 2009 £
Interest on cash deposits	23	23	39

5 Incoming resources from charitable activities

	Unrestricted Funds £	Total Funds 1 January 2010 to 28 February 2011 £	Total Funds Year ended 31 December 2009 £
Consultancy			
Consultancy - UK	15,922	15,922	22,784
Consultancy - Europe	2,779	2,779	2,617
Consultancy - Rest of world	4,838	4,838	6,481
	<u>23,539</u>	<u>23,539</u>	<u>31,882</u>

Business Trading Ethically

Notes to the Financial Statements for the Period Ended 28 February 2011

6 Total resources expended

	Consultancy	Governance	Total 1 January 2010 to 28 February 2011	Total Year ended 31 December 2009
	£	£	£	£
Direct costs				
Purchases	8,331	-	8,331	4,969
Discounts allowable	21	-	21	-
Wages and salaries	9,424	-	9,424	19,747
Staff NIC (Employers)	315	-	315	190
Insurance	-	-	-	119
Repairs and maintenance	-	-	-	8
Trade subscriptions	-	-	-	(295)
Room hire	769	-	769	1,360
Sundry expenses	-	-	-	163
Cleaning	-	-	-	4
Car hire	362	-	362	82
Travel and subsistence	5,009	-	5,009	5,508
Hotel accommodation	1,695	-	1,695	1,223
Bad debts written off	-	-	-	620
Foreign currency (gains)/losses	(269)	-	(269)	817
	<u>25,657</u>	<u>-</u>	<u>25,657</u>	<u>34,515</u>
Support costs				
Wages and salaries	3,250	-	3,250	2,350
Rent	400	-	400	1,100
Telephone and fax	1,020	-	1,020	1,667
Computer software and maintenance costs	431	-	431	1,580
Printing, postage and stationery	3	-	3	1,418
Accountancy fees	-	3,165	3,165	1,265
Independent examiner's fee	-	1,200	1,200	1,000
Consultancy fees	-	84	84	307
Legal and professional fees	-	475	475	2,250
Bank charges	110	-	110	63
Depreciation of fixtures and fittings	517	-	517	1,055
	<u>5,731</u>	<u>4,924</u>	<u>10,655</u>	<u>14,055</u>
	<u>31,388</u>	<u>4,924</u>	<u>36,312</u>	<u>48,570</u>

Business Trading Ethically

Notes to the Financial Statements for the Period Ended 28 February 2011

7 Trustees' remuneration and expenses

No trustees received any remuneration during the period

8 Deferred Income

In December 2008, the charity received a grant of £10,000 from the Waterloo Foundation to assist the charity in the first three years of its existence. This is being released to the SOFA on a pro-rata basis over this period.

9 Net expenditure

Net expenditure is stated after charging/(crediting)

	1 January 2010 to 28 February 2011 £	Year ended 31 December 2009 £
Foreign currency (gains)/losses	(269)	817
Depreciation of tangible fixed assets	517	1,055

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Notes to the Financial Statements for the Period Ended 28 February 2011

10 Employees' remuneration

The average number of persons employed by the charity (including trustees) during the period, analysed by category, was as follows

	1 January 2010 to 28 February 2011 No.	Year ended 31 December 2009 No.
Charitable activities	2	2
Management	1	1
	<u>3</u>	<u>3</u>

The aggregate payroll costs of these persons were as follows

	1 January 2010 to 28 February 2011 £	Year ended 31 December 2009 £
Wages and salaries	12,674	22,097
Social security	315	190
	<u>12,989</u>	<u>22,287</u>

No employee received emoluments of more than £60,000 during the period (2009 - No 0)

11 Taxation

The company is a registered charity and is exempt from taxation

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Notes to the Financial Statements for the Period Ended 28 February 2011

12 Tangible fixed assets

	Fixtures, fittings and equipment £
Cost	
As at 1 January 2010 and 28 February 2011	5,305
Depreciation	
As at 1 January 2010	4,339
Charge for the period	517
As at 28 February 2011	4,856
Net book value	
As at 28 February 2011	449
As at 31 December 2009	966

13 Debtors

	28 February 2011 £	31 December 2009 £
Trade debtors	813	11,139
Other debtors	312	6
	<u>1,125</u>	<u>11,145</u>

14 Creditors: Amounts falling due within one year

	28 February 2011 £	31 December 2009 £
Trade creditors	-	503
Taxation and social security	-	892
Other creditors	180	148
Accruals and deferred income	4,853	4,533
	<u>5,033</u>	<u>6,076</u>

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Notes to the Financial Statements for the Period Ended 28 February 2011

15 Creditors: Amounts falling due after more than one year

	28 February 2011 £	31 December 2009 £
Accruals and deferred income	<u>-</u>	<u>3,334</u>

16 Members' liability

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

17 Related parties

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

18 Analysis of funds

	At 1 January 2010 £	Incoming resources £	Resources expended £	At 28 February 2011 £
General Funds				
Unrestricted income fund	<u>16,457</u>	<u>27,452</u>	<u>(36,312)</u>	<u>7,597</u>

Business Trading Ethically
Notes to the Financial Statements for the Period Ended 28 February 2011

19 Net assets by fund

	Unrestricted Funds	Total Funds 28 February 2011	Total Funds 31 December 2009
	£	£	£
Tangible assets	449	449	966
Current assets	12,181	12,181	24,901
Creditors Amounts falling due within one year	(5,033)	(5,033)	(6,076)
Creditors Amounts falling due after more than one year	-	-	(3,334)
Net assets	<u>7,597</u>	<u>7,597</u>	<u>16,457</u>

20 Post balance sheet event

As of 1 March 2011 the charity has merged with another UK registered charity, The Forest Trust (Charity registration number 1114277)