

ETHICAL TRADING INITIATIVE
(A Company Limited by Guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

ETHICAL TRADING INITIATIVE
(A Company Limited by Guarantee)

COMPANY INFORMATION

Directors	Paul Williams Somiruwan Subasinghe Penny Fowler (appointed 29 June 2019) Anne Margaretta Lindsay (appointed 29 June 2019, resigned 20 October 2020) Philip Chamberlain Alison Tate Emily Scott (resigned 27 June 2019) Stephen Russel Chris Harrop (resigned 20 October 2020) Scot Walker (resigned 27 June 2019) Peter Mcallister Rachel Wilshaw (resigned 27 June 2019) Giles Robert Bolton Evelyn Astor (appointed 20 October 2020) Alistair Smith (appointed 20 October 2020) Jane Blacklock Tim Aldred
Company secretary	Angela Byer
Registered number	3578127
Registered office	Lhb04 1-3 Brixton Road Kennington Business Park London SW9 6DE
Trading Address	Lhb04 1-3 Brixton Road Kennington Business Park London SW9 6DE
Independent auditors	Haysmacintyre LLP 10 Queen Street Place London EC4R 1AG

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ETHICAL TRADING INITIATIVE
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2020

The directors present their report and the financial statements for the year ended 31 March 2020.

Directors' responsibilities statement

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Principal activity

In normal circumstances, writing a reflective review of the past year is an opportunity to take a balanced view from the near distance on progress made and challenges faced, and to archive the period.

But so much has happened since the end of March that the previous year feels more like a distant memory than the recent past.

ETI has made significant adjustments to the new reality for 2020. The initial impact of the Pandemic was felt in the last months of 2019-2020, given that it first affected China, where we are active and were able to offer initial guidance in February. In March, we introduced an emergency plan to ensure the organisation remained active and relevant during the initial lockdown.

Prior to the Pandemic, in 2019, we devoted considerable time reviewing how far we had achieved our strategic goals for 2015-2020, consulting widely and developing a compelling new strategy to take the organisation forward. This strategy has been reviewed and adapted in the light of Covid-19, but its essential focus and themes are, if anything, even more relevant in a time of great uncertainty and transition. We will continue to review our strategy to ensure we have a clear set of priorities as we navigate our way out of Covid, and into the lengthy recovery period.

Our tripartite membership has remained at the heart of ETI and throughout the year we continued our engagement via one to one contacts and support, collective action on key issues, training, advocacy, and on the ground projects.

These projects included development of our factory-based social dialogue work in garment factories in Bangladesh, supporting women workers via an innovative, blended learning and training approach in partnership with QuizRR. We continued support for workers in the cotton mills in southern India, partnering with the Southern India Mills' Association (SIMA) to deliver training on guidance and counselling skills for hostel wardens, welfare officers and trainers. We provided two-day training for Chinese managers in Myanmar and, with support from the UK FCO, undertook a project to look into unauthorized subcontracting in China and provide advice to buyers.

There were also new projects, including preliminary work looking into migrant labour issues in Malaysia with support from the UK Home Office and work to develop our understanding of the medical equipment supply chain in Pakistan. In Bangladesh we started the development of a new project on sexual harassment in the workplace. This work is in line with a wider effort to promote a better understanding of gender and gendered experiences in the workplace.

But, as in other years, not all our work is project based. We also continued to engage our membership and contribute to the wider effort on key issues. On Modern Slavery, we co-hosted a and launched a web version of ETI's which has been adopted by the Home Office. ETI completed its first Modern Slavery Statement while in China we shared a Learning Map on Modern Slavery with ETI members.

In India we engaged the government on new apprenticeship legislation, to help ensure that this was not misused and supported the UK High Commission's programme on migrant labour. Our work over a number of years in Thailand to address the abuse of labour in fishing resulted in the launch of the ILO Good Labour Practices Guidance Manual, to which we had contributed. Elsewhere a good labour practice guide for horticulture exports from Colombia, Mexico and Peru was also published. Closer to home we refocused our work on the Italian tomato supply chain, establishing a local multi-stakeholder forum to tackle labour rights abuses. We also continued to engage local stakeholders around the garment industry in Leicester UK, in order to address the continuing problems around low pay and exploitative conditions.

On the wider stage we engaged with our members about the proposed EU sanctions to address the situation in Cambodia, partnered with our sister ETI in Norway to share our work on Freedom of Association, while our work on worker representation was included in the ILO training course on CSR and international labour standards.

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

ETI has at times been asked to intervene to help resolve disputes and investigate allegations of abuse. This year has been no different with a successful resolution to a challenging dispute in India and work to seek clarity and a pathway forward for alleged bad practice in Kenya. This work takes ETI from the theoretical to very real and practical situations in which workers are often disadvantaged and companies need help to identify practical solutions.

The work on practical issues strengthens our ability to offer practical advice and reinforces our credibility. Drawing on this we continued to publish practical relevant guidance during 2019-20. Publications included Base code guidance on caste discrimination, a handbook for worker representation, a briefing on State Imposed Forced Labour and a further briefing on the ILO Convention 190 on violence and harassment in the workplace.

ETI continues to rely on the support of its members and financially from corporate members as well as third party donors. While corporate funding has remained resilient, this year marked the end of a significant five-year grant from DFID which has helped transform ETI over the period. We have of course been busy with fundraising activities to build on this progress with some notable successes. We secured new funding from IMPACT, a new funding stream from DFID, and successfully applied to both the Home Office (to fund modern slavery work in Malaysia) and the FCO (for a study in China). We have been awarded grants from the C&A Foundation (now Laudes Foundation) for work on gender and both HSBC and the Freedom Fund to support further work in southern India. At the end of the year we were invited to join a consortium with the Fairwear Foundation and others to submit a multi-year application for funds to the Dutch government, which passed the initial assessment with flying colours.

In the last quarter we recognised that the COVID-19 virus was already affecting workplaces and workers in China and we responded through engagement with members and guidance for those sourcing from China in February. In common with many other businesses, ETI re-configured its work and ways of working at the end of March to ensure continuity during lockdown in the UK and in many other countries. Quickly realising that these changes would be deeper and longer lasting than we had initially realised, we responded more fully - adapting our structure and revising the budget and focus of the organisation, to ensure we remained relevant and viable. This has proven very valuable and has allowed us to continue to operate in 2020-2021 and strengthened our resilience and preparedness for the years ahead.

All in all, the year past was for the most part one of typical challenges and examples of progress, however may well only be remembered for the impact of COVID-19 in the last quarter. However, we can say that having a sound strategy to draw on and our prompt response and reorientation means that we are going in the right direction. Our strategy focus including key themes like transition, technological change, the changing world of work – was absolutely the right one for the times we find ourselves in. And our ability to respond rapidly and be agile, convene, facilitate and really demonstrate our value to members has never been more in evidence than in the last 6 months.

Directors

The directors who served during the year were:

Paul Williams
Somirwan Subasinghe
Penny Fowler (appointed 29 June 2019)
Anne Margaretta Lindsay (appointed 29 June 2019, resigned 20 October 2020)
Philip Chamberlain
Alison Tate
Emily Scott (resigned 27 June 2019)
Stephen Russel
Chris Harrop (resigned 20 October 2020)
Scot Walker (resigned 27 June 2019)
Peter Mcallister
Rachel Wilshaw (resigned 27 June 2019)

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DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020

Giles Robert Bolton
Jane Blacklock
Tim Aldred

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, Haysmacintyre LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 2 December 2020 and signed on its behalf.



Philip Chamberlain
Director

ETHICAL TRADING INITIATIVE
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ETHICAL TRADING INITIATIVE

Opinion

We have audited the financial statements of Ethical Trading Initiative (the 'Company') for the year ended 31 March 2020, which comprise the Statement of Comprehensive Income, the Balance Sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2020 and of its profit 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material

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INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ETHICAL TRADING INITIATIVE
(CONTINUED)

misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

ETHICAL TRADING INITIATIVE
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INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ETHICAL TRADING INITIATIVE
(CONTINUED)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the Company's shareholders in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state 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 Company and the Company's shareholders for our audit work, for this report, or for the opinions we have formed.



Murtaza Jessa (Senior Statutory Auditor)

for and on behalf of
Haysmacintyre LLP

Statutory Auditors

10 Queen Street Place
London
EC4R 1AG

10 December 2020

ETHICAL TRADING INITIATIVE
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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 £	2019 £
Income	3	3,065,961	4,072,347
Gross Turnover	3	3,065,961	4,072,347
Operating and other expenses	4	(3,061,706)	(4,125,504)
Operating (deficit) / surplus		4,255	(53,157)
Total comprehensive (deficit) / surplus for the year		4,255	(53,157)

The notes on pages 10 to 17 form part of these financial statements.

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REGISTERED NUMBER:3578127

BALANCE SHEET
AS AT 31 MARCH 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	7	14,125	25,534
Investments	8,9	25,000	-
		<u>39,125</u>	<u>25,534</u>
Current assets			
Debtors: amounts falling due within one year	10	593,120	1,020,093
Cash at bank and in hand		793,775	525,915
		<u>1,386,895</u>	<u>1,546,008</u>
Creditors: amounts falling due within one year	11	(831,281)	(981,059)
Net current assets		<u>555,614</u>	<u>564,949</u>
Total assets less current liabilities		<u>594,739</u>	<u>590,483</u>
Net assets		<u><u>594,739</u></u>	<u><u>590,483</u></u>
Capital and reserves			
Profit and loss account		<u>594,739</u>	<u>590,483</u>
		<u><u>594,739</u></u>	<u><u>590,483</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 2 December 2020.



Philip Chamberlain
 Director

The notes on pages 10 to 17 form part of these financial statements.

ETHICAL TRADING INITIATIVE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

1. General information

Ethical Trading Initiative, is a private company limited by guarantee incorporated in the United Kingdom. The company's registered office Lhb04 1 - 3 Brixton Road, Kennington Business Park, London, SW9 6DE and company number is 3578127.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006. The company forms part of a small group and therefore, has taken exemption from the requirement to prepare consolidated financial statements under Section 1A. of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2.3 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.4 Tangible fixed assets

Tangible fixed assets that are valued at over £1,000 and have an useful economic life of more than one year are capitalised. Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures and fittings	- 25% Straight Line
Office equipment	- 25% Straight Line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

ETHICAL TRADING INITIATIVE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

2. Accounting policies (continued)

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

3. Income

	2020 £	2019 £
Other trading income	1,645,894	1,617,945
DFID rate	406,962	1,870,829
DFID - BIH	17,450	-
NORAD	197,008	30,213
NGO's - BOAG Funding	34,650	24,875
Impact Grant (DFID)	103,448	-
IDS - Tackling the drivers of child labour and MS	3,491	-
Peru - Good practices members contribution	-	41,365
TNMS	155,062	156,873
SandStone Members Contribution	-	-
ILO Thailand	1,011	21,634
FCO HK 2018-2019	-	70,020
IDS - Tackling the drivers of child labour	-	41,334
C&A Better Buying	58,685	19,497
C&A Gender Strategy	79,141	62,995
Small Members Contribution Projects	9,820	-
Research in child and forced labour in SI	10,000	-
GCRF	5,999	10,739
FCO - International Conference to tackle MS	10,658	12,284
Turkey FCO Funding	-	24,000
Turkey Members Contribution	48,015	67,744
HSBC - India and BD	85,322	-
Thailand project members contribution	5,000	-
Italy - Italian Produce Working Group - Tomato	21,395	-
Conducting SMETA Audit/Human Rights Investigation	11,244	-
MSIF	155,706	-
	<u>3,065,961</u>	<u>4,072,347</u>

4. Operating and other expenses

	2020 £	2019 £
Operating expenses	1,361,835	1,366,655
Grants expenditure	1,699,871	2,758,847
	<u>3,061,706</u>	<u>4,125,502</u>

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NOTES TO THE FINANCIAL STATEMENTS
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5. Operating (deficit)/surplus

The operating (deficit)/surplus is stated after charging:

	2020 £	2019 £
Auditor's remuneration	10,000	9,735
Depreciation	12,165	13,262
	<u>12,165</u>	<u>13,262</u>

6. Employees

The average monthly number of employees, including directors, during the year was 29 (2019 - 26).

7. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 April 2019	51,931	110,757	162,688
Additions	-	755	755
At 31 March 2020	<u>51,931</u>	<u>111,512</u>	<u>163,443</u>
Depreciation			
At 1 April 2019	51,529	85,625	137,154
Charge for the year on owned assets	134	12,030	12,164
At 31 March 2020	<u>51,663</u>	<u>97,655</u>	<u>149,318</u>
Net book value			
At 31 March 2020	<u>268</u>	<u>13,857</u>	<u>14,125</u>
At 31 March 2019	<u>402</u>	<u>25,132</u>	<u>25,534</u>

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8. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
Additions	25,000
At 31 March 2020	<u>25,000</u>

9. Subsidiary undertaking

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Registered office	Class of shares	Holding
ETI Bangladesh	House: 17/B (3rd Floor), Road: 126, Gulshan 1, Dhaka, Bangladesh	Ordinary shares	100%

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10. Debtors

	2020 £	2019 £
Trade debtors	504,215	959,979
Other debtors	88,905	60,114
	<u>593,120</u>	<u>1,020,093</u>

11. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	102,637	221,658
Other taxation and social security	17,572	1,899
Other creditors	926	14,033
Accruals and deferred income	710,146	743,469
	<u>831,281</u>	<u>981,059</u>

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12. Deferred income by funder

	2020 £	2019 £
C&A BB	-	58,685
TNMS	43,121	73,772
Working Groups	-	15,000
BOAG	5,000	9,650
Turkey Members	-	13,149
C&A Gender	91,231	18,554
MSIF HO	20,979	-
Research in child and forced labour in SI	6,925	10,000
FCO International conference	41,232	10,658
HSBC	173,059	258,381
NORAD	42,097	134,852
Advisory services	-	4,600
Asda	39,996	39,448
Whitestuff	48,669	8,492
Whistles	-	5,858
Debenhams	31,198	30,771
Misguided	9,341	-
Burberry	30,444	-
Dixon	39,996	-
JLP	39,996	-
	<u>663,284</u>	<u>691,870</u>

These are funds received in advance.

13. Capital and reserves

Accumulated Funds

The accumulated funds are made up of funds brought forward and surplus in the year.

The accumulated funds excluding those tied up in fixed assets would amount to £580,614 (2019 - £564,949) and these are the free reserves used as working capital.

14. Company status

The company 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 company in the event of liquidation.

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NOTES TO THE FINANCIAL STATEMENTS
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15. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £112,695 (2019 - £70,457). Contributions totalling £1,721 (2019 - £1,956) were payable to the fund at the balance sheet date.

16. Commitments under operating leases

At 31 March 2020 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	60,081	89,460
Later than 1 year and not later than 5 years	65,373	22,366
	<u>125,454</u>	<u>111,826</u>

17. Related party transactions

During the year, expenses including travel totalling £2,845 (2019: £3,771) were charged by two directors (2019: four directors).

During the year, expenses were reimbursed to the Chair, amounting to £3,392 (2018: £2,914).