

DIRECTORS' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2025

ETHICAL TRADING
INITIATIVE
(A company limited by
guarantee)

ETHICAL TRADING INITIATIVE

(A company limited by guarantee)

COMPANY INFORMATION

Directors	Paul Williams (resigned 1 May 2024) Evelyn Astor Lucy Brill (resigned 29 July 2024) Sophie Brill Mary Creagh (resigned 1 August 2024) Subindu Garkhel (resigned 29 July 2024) David Griffin (resigned 19 March 2025) Mayank Kaushik Samantha Ludlow Taylor Peter Mcallister (resigned 18 January 2025) Elisa Morosoli Rebecca Reese Stephen Russell Alistair Smith Somiruwana Subasinghe Phillip Jennings (appointed 20 January 2025) Mark Robertson (appointed 7 November 2024) Giles Bolton (appointed 12 July 2024) Melville Miles (appointed 16 July 2024) Benjamin Baldwin (appointed 19 March 2025) Martine Julseth (appointed 25 July 2025)
Company secretary	Louise Joseph
Registered number	03578127
Registered office	Lhb04 1-3 Brixton Road Kennington Business Park London SW9 6DE
Independent auditor	Menzies LLP Chartered Accountants & Statutory Auditor Magna House 18-32 London Road Staines-Upon-Thames TW18 4BP

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ETHICAL TRADING INITIATIVE

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DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The directors present their report and the financial statements for the year ended 31 March 2025.

Introduction

2024-25 saw a continuation in the period of instability and upheaval in geo-politics affecting global supply chains. Along with the ongoing conflicts in Ukraine and the Middle East, among others, growing protectionism including growing and uncertain tariffs have increased the uncertainty businesses face in making their sourcing plans. Particularly relevant for ETI members has been the civil unrest and political change over the last year in Bangladesh, leading to significant disruption, and the ongoing challenges for workers and civil society more broadly in Turkey. As ever, these events have implications for supply chains – and the workers who depend on them for their jobs – that thrive best in smooth predictable conditions. The International Trade Union Congress has also reported another year of declining overall respect for workers' rights globally.

On the regulatory front there has also been some uncertainty. The welcome introduction of the EU Corporate Sustainability Due Diligence Directive has been put back, and proposals issued to water it down, while the German Due Diligence Law introduced in January 2023 has now been withdrawn. In the UK, consideration is being given to further strengthening of modern slavery requirements, but the detail is not yet decided.

Longer-term challenges continue, in particular climate-related disruption: extreme heat is an ever-growing threat, along with increased drought and floods.

These were just some of the global challenges that ETI and its members faced in 2024-25. On a smaller scale we also had to address a number of issues such as forced labour, sexual harassment and violence, work-place disputes and other rights violations identified in member supply chains.

Programme work and guidance for members

The core of ETI's work remains based on three key pathways; our support to help members progress and remain accountable; working collectively on larger and more strategic issues and our advocacy to create an enabling environment for responsible business. Each area was kept busy this year; with the development of our approach to transparency, new and ongoing issues for the Collective Action team to address, and advocacy on mandatory human rights due diligence and forced labour.

The work to make the case for and implement an approach to drive greater transparency among company members has gained real momentum this year, enhanced through publication of member performance against the Corporate Transparency Framework in the public domain.

We continued to work sectorally in 2024-25. In Food, Fishing and Farming, our work with members extended from driving action on gender-based violence and harassment in Kenya and South Africa, to piloting grievance mechanisms to address migrant rights risks in Spain, Italy, and the UK. In Apparel and Textiles, much of our existing work continued, from bringing leading stakeholders together into a multi-stakeholder forum in south India, to navigating civil unrest and climatic events in Bangladesh, through meaningful stakeholder engagement.

The Sustainable Textile Initiative: Together for Change (STITCH) project entered its final year with a positive Mid Term Review that informed our reflections on the lessons learned so far, honing our focus for the final stretch. The Meaningful Stakeholder Engagement Framework was launched at the OECD Forum, garnering positive feedback, with technical guidance on implementation due out next year. We also produced the new Common Framework for Responsible Purchasing Practices in Manufacturing, following a 21-month initiative working with 15 companies across diverse manufacturing sectors, many of them demonstrating key progress, with positive impacts for workers already emerging. Our work on climate change, has continued to gather momentum, highlighting the critical human rights impacts that climate change is having in the world of work, and the steps companies can take to address them.

Advocacy this year focussed on working with others address the impacts of the Omnibus on landmark legislation such as the CSDDD, calling on decisionmakers to maintain the strength and scope of the original text. In the UK, we made strides with the new Government, engaging on responsible business, and update to the Modern Slavery Act guidance in its tenth year and plans for mandatory HRDD legislation.

Lastly, there were some changes in the team during the year, with two colleagues moving on and six new team members joining. By the end of the year, we had a full team in place and working effectively together.

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DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2025

Finance

This year, ETI recorded a small deficit, influenced by shifts in the membership recruitment landscape. We recognised the need to adapt to these changes and have already taken the first steps toward a more effective and sustainable approach for future growth. Other revenue streams performed positively, and we maintained tight cost control to minimise the shortfall.

Despite a challenging third-party donor environment—particularly with the announced cuts to UK and US aid—we have begun forging new partnerships and funding models. New funding has enabled us to advance work in priority areas such as responsible business practices, gender equity, and just transition.

We welcomed our new Executive Director, Giles Bolton, who has initiated the development of ETI's 2026–2030 strategy and is leading efforts to adapt to a rapidly changing environment. We thank our members, partners, Board, and dedicated staff for their continued support and commitment to our mission.

Directors

The directors who served during the year were:

Paul Williams (resigned 1 May 2024)
Evelyn Astor
Lucy Brill (resigned 29 July 2024)
Sophie Brill
Mary Creagh (resigned 1 August 2024)
Subindu Garkhel (resigned 29 July 2024)
David Griffin (resigned 19 March 2025)
Mayank Kaushik
Samantha Ludlow Taylor
Peter Mcallister (resigned 18 January 2025)
Elisa Morosoli
Rebecca Reese
Stephen Russell
Alistair Smith
Somiruwana Subasinghe
Phillip Jennings (appointed 20 January 2025)
Mark Robertson (appointed 7 November 2024)
Giles Bolton (appointed 12 July 2024)
Benjamin Baldwin (appointed 19 March 2025)
Melville Miles (appointed 16 July 2024)

Indemnity insurance is provided for the directors.

Disclosure of information to auditor

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 auditor is 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 auditor is aware of that information.

Auditor

Under section 487(2) of the Companies Act 2006, Menzies LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

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DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

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.

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.

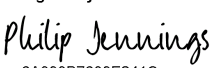
In preparing these financial statements, the directors are required to:

- 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.

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

Signed by:


Philip Jennings
Director

Date: 06-Oct-2025

ETHICAL TRADING INITIATIVE

(A company limited by guarantee)

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ETHICAL TRADING INITIATIVE

Opinion

We have audited the financial statements of Ethical Trading Initiative (the 'company') for the year ended 31 March 2025, which comprise the Statement of income and retained earnings, the Statement of financial position 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 2025 and of its loss 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 Auditor's 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's report thereon. The directors are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

ETHICAL TRADING INITIATIVE

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ETHICAL TRADING INITIATIVE (CONTINUED)

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 set out on page 3, 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 AUDITOR'S REPORT TO THE MEMBERS OF ETHICAL TRADING INITIATIVE (CONTINUED)

Auditor's 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 Auditor's 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We determined that the following laws and regulations were most significant including Companies Act 2006 Employment Law, Payroll Taxes, VAT and Income Tax.
- We understood how the Company is complying with those legal and regulatory frameworks by, making inquiries to management, those responsible for legal and compliance procedures and the company secretary. We corroborated our inquiries through our review of board minutes.
- The engagement partner assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognize non-compliance with laws and regulations. The assessment did not identify any issues in this area.
- We assessed the susceptibility of the Company financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
 - Challenging assumptions and judgements made by management in its significant accounting estimates; and identifying and testing journal entries, in particular any journal entries with unusual account combinations.
- As a result of the above procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:
 - Posting of unusual journals
 - Posting of fraudulent payments and receipts in the accounting software
 - Authorisation, processing, and payment of fraudulent expenses
 - Timing of revenue recognition

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 Auditor's report.

ETHICAL TRADING INITIATIVE

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ETHICAL TRADING INITIATIVE (CONTINUED)

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Janice Matthews

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Janice Matthews FCA (Senior statutory auditor)

for and on behalf of

Menzies LLP

Chartered Accountants
Statutory Auditor

Magna House
18-32 London Road
Staines-Upon-Thames
TW18 4BP

Date: 06-Oct-2025

ETHICAL TRADING INITIATIVE

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STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED 31 MARCH 2025

	2025 £	2024 £
Turnover	3,616,769	3,150,818
Gross profit	3,616,769	3,150,818
Administrative expenses	(3,631,427)	(3,111,036)
Operating (loss)/profit	(14,658)	39,782
(Loss)/profit after tax	(14,658)	39,782
Retained earnings at the beginning of the year	817,538	777,756
	817,538	777,756
(Loss)/profit for the year	(14,658)	39,782
Retained earnings at the end of the year	802,880	817,538

The notes on pages 10 to 15 form part of these financial statements.

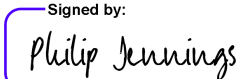
ETHICAL TRADING INITIATIVE
(A company limited by guarantee)
REGISTERED NUMBER:03578127

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	6	16,518	17,865
Investments	7	25,000	25,000
		41,518	42,865
Current assets			
Debtors: amounts falling due within one year	8	492,553	479,466
Cash at bank and in hand		814,330	722,640
		1,306,883	1,202,106
Creditors: amounts falling due within one year	9	(545,521)	(427,433)
Net current assets		761,362	774,673
Total assets less current liabilities		802,880	817,538
Net assets		802,880	817,538
Capital and reserves			
Profit and loss account		802,880	817,538
		802,880	817,538

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 the FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Signed by:

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Philip Jennings
Director

Date: 06-Oct-2025

The notes on pages 10 to 15 form part of these financial statements.

ETHICAL TRADING INITIATIVE

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1. General information

Ethical Trading Initiative, is a private company limited by guarantee incorporated in England & Wales. The company's registered office is Lhb04 1 - 3 Brixton Road, Kennington Business Park, London, SW9 6DE and the company's registered number is 03578127.

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 FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' and the requirements of the Companies Act 2006. The disclosure requirements of Section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The following principal accounting policies have been applied:

2.2 Exemption from preparing consolidated financial statements

The company, and the group headed by it, qualify as small as set out in section 383 of the Companies Act 2006 and the parent and group are considered eligible for the exemption to prepare consolidated accounts.

2.3 Going concern

The directors have considered the company's financial position through review of budgets and cashflows and believe that the company has adequate resources to continue its activities for the foreseeable future and consider that there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the company to continue as a going concern have been identified by the directors. Accordingly, the going concern basis has been adopted in preparing the financial statements.

2.4 Income

Membership Income

Membership income is recognised proportionally over the membership period, starting from the point of invoicing.

Training Income

ETI has established a partnership with a training delivery consultancy, where at the end of each year, the provider provides detailed calculations of the commission owed to ETI based on the training sessions conducted during the fiscal year. Income is recognised upon verification of the commission's calculation.

Grants and donor-funded work income.

Income recognition is contingent upon the fulfilment of signed contracts and agreements. ETI recognises revenue in accordance with the terms outlined in these contracts, ensuring transparency and adherence to legal obligations.

In other instances, revenue recognition is tied to the actual utilisation of funds within the fiscal year. ETI, tracks funds expenditure in order to accurately reflect income received during the same period of implementation. Income is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. Income received in advance is deferred to the period to which it relates

Deferred Income

Any unused funds received within the fiscal year are prudently deferred to the subsequent financial year. This ensures that income recognition aligns with the actual delivery of services or the fulfilment of contractual obligations.

ETHICAL TRADING INITIATIVE

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.5 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of income and retained earnings in the same period as the related expenditure.

2.6 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

2.7 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 profit or loss.

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

2. Accounting policies (continued)

2.9 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.10 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.11 Financial instruments

The has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

2.12 Taxation

Ethical Trading Initiative is a membership organisation which does not operate with a view to making a profit and therefore it is not liable to pay tax on profits arising from income streams such as membership fees and project work. It is liable to taxation on any other income received including training income and any investment activities.

3. Income

	2025	2024
	£	£
Other operating income	1,622,252	1,429,722
NORAD funding	56,529	98,566
NGO's BOAG funding	5,000	10,000
STITCH - FWF	714,424	811,820
Small members contribution projects	204,937	188,135
ETI BD workplace programme	38,000	103,364
GMA - MSIF	348,770	400,632
GIZ Income	388,604	108,579
SMEP - FCDO	214,253	-
Italian Produce Working Group	24,000	-
	3,616,769	3,150,818

ETHICAL TRADING INITIATIVE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

4. Operating and other expenses

	2025 £	2024 £
Operating expenses	1,486,775	1,267,462
Grant expenditure	2,147,646	1,843,574
	<u>3,634,421</u>	<u>3,111,036</u>

5. Employees

The average monthly number of employees, including directors, during the year was 24 (2024 - 24).

6. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation			
At 1 April 2024	56,675	139,646	196,321
Additions	-	7,771	7,771
At 31 March 2025	<u>56,675</u>	<u>147,417</u>	<u>204,092</u>
Depreciation			
At 1 April 2024	53,881	124,575	178,456
Charge for the year	1,186	7,932	9,118
At 31 March 2025	<u>55,067</u>	<u>132,507</u>	<u>187,574</u>
Net book value			
At 31 March 2025	<u>1,608</u>	<u>14,910</u>	<u>16,518</u>
At 31 March 2024	<u>2,794</u>	<u>15,071</u>	<u>17,865</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

7. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2024	25,000
At 31 March 2025	25,000

Subsidiary undertaking

The following was a subsidiary undertaking of the company:

Name	Registered office	Class of shares	Holding
ETI Bangladesh	11/7/G Free School Street Kathalbagan, Dhaka- 1205,Bangladesh	Ordinary Shares	100%

8. Debtors

	2025 £	2024 £
Trade debtors	65,974	90,287
Other debtors	15,840	16,400
Prepayments and accrued income	410,631	372,671
Tax recoverable	108	108
	492,553	479,466

9. Creditors: Amounts falling due within one year

	2025 £	2024 £
Trade creditors	235,414	191,475
Other taxation and social security	13,497	2,054
Other creditors	3,308	33,057
Accruals and deferred income	293,302	200,847
	545,521	427,433

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

10. Deferred income by funder

	2025 £	2024 £
Working Groups	132,799	82,714
GIZ BPP & Gender	-	19,159
Tesco RPP	37,300	19,159
	<u>170,099</u>	<u>121,032</u>

11. Capital and reserves

The accumulated reserves are made up of reserves brought forward and profit in the year. The accumulated reserves excluding tangible fixed assets amount to £786,362 (2024 - £799,673) and these are the free reserves used as working capital.

12. 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.

13. 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 for the year. Contributions totalling £Nil (2024 - £Nil) were payable to the fund at the balance sheet date.

14. Commitments under operating leases

At 31 March 2025 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2025 £	2024 £
Not later than 1 year	31,708	30,198
	<u>31,708</u>	<u>30,198</u>

15. Related party transactions

During the year expenses were reimbursed to directors totalling £3,655 (3 directors) (2024: £3,218 (4 directors)).

ETHICAL TRADING INITIATIVE

(A company limited by guarantee)

DETAILED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2025

	2025 £	2024 £
Revenue	3,616,769	3,150,818
Gross profit	3,616,769	3,150,818
Less:		
Administration expenses	(3,631,427)	(3,111,036)
Operating (loss)/profit	(14,658)	39,782
(Loss)/Profit for the year	(14,658)	39,782

ETHICAL TRADING INITIATIVE
(A company limited by guarantee)

SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2025

	2025 £	2024 £
Revenue		
Revenue	3,616,769	3,150,818
	<u>3,616,769</u>	<u>3,150,818</u>
	2025 £	2024 £
Administration expenses		
Staff salaries	1,177,865	980,947
Staff pension costs	113,664	94,915
Bad debts	14,658	228
Office costs	27,433	50,631
Grants	2,147,646	1,843,574
Administration	85,880	71,024
Depreciation	9,118	7,981
Governance	55,163	61,736
	<u>3,631,427</u>	<u>3,111,036</u>