

**EARTH RESTORATION SERVICE
COMPANY LIMITED BY GUARANTEE**

Charity Registration Number : 1118951

Company Number : 05117999

UNAUDITED ACCOUNTS

31 DECEMBER 2021

**EARTH RESTORATION SERVICE
COMPANY LIMITED BY GUARANTEE**

ACCOUNTS

YEAR ENDED 31 DECEMBER 2021

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**EARTH RESTORATION SERVICE
COMPANY LIMITED BY GUARANTEE**

OFFICERS AND PROFESSIONAL ADVISERS

Registered charity name Earth Restoration Service

Charity number 1118951

Company registration number 05117999

Directors and Trustees P N Phelps
A R Watson Featherstone
D M O'Gorman
J H Colvin

Secretary P N Phelps

Registered Office 1 - 5 3rd Floor Middle
Clerkenwell Road
London
England
EC1M 5PA

Independent Examiner Benjamin Bidnell
Shipleys LLP
Chartered Accountants
10 Orange Street
Haymarket
London
WC2H 7DQ

Bank Barclays Bank plc
1st Floor
27 Soho Square
London
BX3 2BB

EARTH RESTORATION SERVICE COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT (incorporating the Director's Report)

YEAR ENDED 31 DECEMBER 2021

The trustees have pleasure in presenting their report and the accounts of Earth Restoration Service ("ERS") ("the charity") for the year ended 31 December 2021.

REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of officers and professional advisers on page 1 of the accounts.

THE TRUSTEES

The trustees who served the company during the period were as follows:-

P N Phelps
A W Featherstone
D M O'Gorman
J H Colvin

STRUCTURE, GOVERNANCE AND MANAGEMENT

The company obtained registered charity status with effect from 25 April 2007 from the Charity Commission.

The Memorandum and Articles of Association dated 4 May 2004 regulate the charity.

The directors of the charity are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. As set out in the Articles of Association the number of trustees shall be at least three with no maximum. The appointment of new trustees is governed by the Council of Management that consists of the directors/trustees.

The day to day management of the charity is carried out by the Council of Management.

The trustees at the date of this report are stated on page 1.

OBJECTIVES AND ACTIVITIES

The objective of the charity is to foster a network of projects involved in the repair of ecosystems worldwide. Its goal is to transform the increasing concern for the environment into positive action, inspiring the world's citizens to play their part in reversing environmental degradation and restoring the natural health of their own environments.

The approach of the charity is proactive and practical, forming partnerships with schools, community groups, charities, NGO's, government agencies and businesses, to encourage a global effort to address the monumental challenge of restoring the earth.

The charity works with local partners and communities fostering a network of ecosystem restoration projects around the globe.

The Charity's objectives were as follows:

- To promote for the benefit of the public the conservation, protection and improvement of the physical and natural environment; and
- To advance the education of the public on the conservation of the physical and natural environment.

EARTH RESTORATION SERVICE COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT (incorporating the Director's Report) - CONTINUED

YEAR ENDED 31 DECEMBER 2021

TRUSTEE INDUCTION AND TRAINING

New trustees undergo an induction day to brief them of their legal obligations under charity and company law, the content of the charity's Memorandum and Articles of Association, its Council of Management and decision-making process, financial performance, objectives and future plans.

PUBLIC BENEFIT

In planning the activities of the charity for the year, the trustees have given due regard to the Charity Commissions' guidance on public benefit. The activities of the charity are inherently such that they benefit the public through the repair of ecosystems and reversal of environmental degradation, and do not give rise to any detriment or harm to the public.

ACHIEVEMENTS AND PERFORMANCE

The Earth Restoration Service has achieved its objective in planting tree nurseries and wildlife meadows with local schools in the UK in the early part of 2021. We planted trees with the Pines and Needles company in different towns/villages near to where Pines and Needles has local offices. 30 schools were completed and 3,000 native trees planted in school grounds. In addition, we also planted 500 wildflower plugs, creating 5 wildlife meadows. ERS also received small grant awards from local grant providers, DS Smith Charitable Foundation, Alpkitt Foundation, Prudential Trust and the Woodward Trust. Then in early 2022, we received the grant from Pines and Needles as a result of people's Christmas tree donations, which will spread through the 2022/2023 planting season. We have also received a 3 year grant from the Hellweyn Foundation, which awards £10,000 each year for a 3 year period. These are unrestricted funds to help ERS with its admin, running costs, the School Tree Nurseries and Flutter Flower programme, plus the support of our international programmes. The Namibia programme will be our first international programme that we will support over a 3 year period using this grant, starting in 2022. Moreover, we are starting a new hedgerow programme to help schools to maintain and diversify their hedgerows. ERS has also an established relationship with the monthly magazine named Perspective and each month an update on positive ecological news is being written to inform the readers of the work being carried out world-wide.

FINANCIAL REVIEW

During the year under review the total value of the funds increased from £936 to £2,828 as shown on page 7 of the accounts.

The principal funding sources of the charity were the unrestricted donations and grants received during the year (see note 4 to the accounts).

During the next year, the trustees will continue to provide grants to those who meet the objectives of the charity.

EARTH RESTORATION SERVICE COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT (incorporating the Director's Report) - CONTINUED

YEAR ENDED 31 DECEMBER 2021

RESERVES POLICY

The charity aims to retain sufficient reserves to ensure the continued efficient running of the core elements of the charity, taking into account the possibility of an unforeseen fall in funding sources and the need to continue its active existence. As a general rule, the trustees take the view that reserves should be maintained equal to at least six months of basic administration costs (calculated at £3,000). The charity will continue to look at raising funds to maintain its reserves.

At 31 December 2021, the charity had unrestricted funds of £2,828 (2020: £936).

The donations have been treated as unrestricted funds, as it is the trustees understanding that the funds are to be used for the general activities of the charity for School Tree Nursery programme, Flutter Flower programme.

PLANS FOR FUTURE PERIODS

ERS will continue to deliver ecological restoration services within the community, to have a strong network of active schools and continue to form a significant national reforestation programme throughout the UK. There are remaining schools from the Pines and Needles grant that will take part in planting tree nurseries and wild flowers throughout the winter of 2022. ERS is playing its part in the UN Decade on Ecosystem Restoration which ranges from 2021-2030 and as part of our restoration work, new international programmes are being developed in Costa Rica and Namibia - and between 2022 and 2024, we will commence a tree nursery in a local San Bushmen school in Namibia planting trees that are adapted to drought conditions. These programmes will work to help restore and to create new habitats of wildlife. Our School Hedgerow Habitat & Wildlife Corridor will play a more important part in 2022, in helping schools to encourage their local wildlife populations in their local communities, while also offering the next generations an opportunity to learn actively how to be practically engaged with the environment, ecology, wildlife, and learning about the importance of the natural world.

RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also the directors of Earth Restoration Service for the purposes of company law) are responsible for preparing the Trustees Annual Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;

EARTH RESTORATION SERVICE COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT (incorporating the Director's Report) - CONTINUED

YEAR ENDED 31 DECEMBER 2021

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Signed on behalf of the Trustees



P N Phelps
Trustee

28 October 2022

EARTH RESTORATION SERVICE COMPANY LIMITED BY GUARANTEE

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF EARTH RESTORATION SERVICE

YEAR ENDED 31 DECEMBER 2021

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 December 2021 set out on page 2 to 15.

RESPONSIBILITIES AND BASIS OF REPORT

As the charity's trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 (the '2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

INDEPENDENT EXAMINER'S STATEMENT

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those accounting records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

10 Orange Street
Haymarket
London
WC2H 7DQ

Benjamin Bidnell ACCA
Shipleys LLP
Chartered Accountants

28 October 2022

EARTH RESTORATION SERVICE COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 DECEMBER 2021

		2021 Unrestricted Funds	2020 Unrestricted Funds
	Notes	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	4	36,044	19,194
Government grant	5	225	-
		-----	-----
Total Income		36,269	19,194
		-----	-----
EXPENDITURE ON			
Raising funds	6	5,447	3,320
Charitable activities			
- UK School Tree and Flutter Programmes	7	28,930	30,061
		-----	-----
Total Expenditure		34,377	33,381
		-----	-----
Net expenditure for year	3	1,892	(14,187)
RECONCILIATION OF FUNDS			
Total funds brought forward		936	15,123
		-----	-----
TOTAL FUNDS CARRIED FORWARD		£2,828	£936
		=====	=====

The statement of financial activities includes all gains and losses in the year, therefore a statement of total recognised gains and losses has not been prepared. All the incoming resources and resources expended relate to continuing activities.

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

EARTH RESTORATION SERVICE COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL POSITION

31 DECEMBER 2021

	Notes	£	2021 £	£	2020 £	£
FIXED ASSETS						
Tangible assets	10		-		-	
CURRENT ASSETS						
Debtors	11	9,075		5,000		
Cash at bank		4,403		7,336		
		-----		-----		
		13,478		12,336		
CREDITORS : Amounts falling due within one year	12	(4,200)		(4,200)		
		-----		-----		
NET CURRENT ASSETS			9,278		8,136	
			-----		-----	
TOTAL ASSETS LESS CURRENT LIABILITIES			9,278		8,136	
CREDITORS : Amounts falling due after more than one year	13		(6,450)		(7,200)	
			-----		-----	
NET ASSETS			£2,828		£936	
			=====		=====	
FUNDS						
Unrestricted funds						
- General funds			2,828		936	
			-----		-----	
TOTAL FUNDS			£2,828		£936	
			=====		=====	

The statement of financial position continues on the following page.

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

**EARTH RESTORATION SERVICE
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL POSITION
- CONTINUED**

31 DECEMBER 2021


The trustees are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the accounts for the year by virtue of section 477 and that no member or members have requested an audit pursuant to section 476 of the Act.

The trustees acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 386 of the Act, and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its income and expenditure for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the company.

These financial statements are prepared in accordance with the provisions applicable to companies subject to the small companies regime.

These accounts were approved by the trustees on 28 October 2022 and signed on their behalf by:



P N Phelps
Trustee

Company Number : 05117999

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

EARTH RESTORATION SERVICE COMPANY LIMITED BY GUARANTEE

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES

Earth Restoration Service is a company limited by guarantee incorporated in the United Kingdom under the Companies Act. The address of the registered office is 1 - 5 3rd Floor Middle, Clerkenwell Road, London, England, EC1M 5PA.

The objectives of the charity are set out on page 2.

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

1.1 Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP FRS 102) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" and the Companies Act 2006.

Earth Restoration Service meets the definition of a public benefit entity under FRS 102. The functional and presentation currency are pounds sterling. The accounts are prepared on a going concern basis.

1.2 Exemption from preparing a cash flow statement

The charity has taken advantage of the exemption in "Bulletin 1: Amendments to Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland" from the requirement to produce a cash flow statement on the grounds that it is a small charity.

1.3 Fund Accounting

Unrestricted general funds – these are funds which can be used in accordance with the charitable objectives at the discretion of the trustees. All income is included gross of any related expenditure.

1.4 Income

Income is accounted for as unrestricted, unless restrictions exist under the terms on which they are received or solicited.

Income includes donations, gifts, legacies and grants that provide core funding or are of general nature. They are recognised where there is entitlement of funds, receipt is probable and the amount is reasonable.

EARTH RESTORATION SERVICE COMPANY LIMITED BY GUARANTEE

NOTES TO THE ACCOUNTS - CONTINUED

YEAR ENDED 31 DECEMBER 2021

1.5 Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

1.6 Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:-

Website costs – 25% straight line

Computer equipment - 33.33% straight line

1.7 Foreign Currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating result.

1.8 Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.9 Expenditure

Expenditure is included on an accruals basis and include irrecoverable VAT.

Expenditure on raising funds comprise costs that are directly attributable to attracting voluntary income, and those incurred in activities that raise funds.

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional; such grants are recognised as expenditure when the conditions attached are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as commitment, but not accrued as expenditure.

Charitable activities include costs that relate to the core activities of the charity. Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities. Charitable activities also include governance costs, which comprise the costs for the running of the charity itself as an organisation, and are primarily with regards to constitutional and statutory requirements.

1.10 Taxation

The charity is exempt from corporation tax on its charitable activities.

1.11 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

EARTH RESTORATION SERVICE COMPANY LIMITED BY GUARANTEE

NOTES TO THE ACCOUNTS - CONTINUED

YEAR ENDED 31 DECEMBER 2021

1.12 Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.13 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2. LEGAL STATUS OF THE CHARITY

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

3. NET INCOME AND EXPENDITURE	2021	2020
These are stated after charging:		
Trustees/Directors' emoluments	-	-
Depreciation	-	-
	=====	=====

4. DONATIONS AND LEGACIES	2021 £	2020 £
Gifts and donations	36,044	19,194
	-----	-----
	36,044	19,194
	=====	=====

The income from donations and legacies was £36,044 (2020: £19,194) which was all unrestricted.

The 2021 donation of £36,044 have been treated as unrestricted as it is the trustees understanding that the funds are to be used for the general activities of the charity for School Tree Nursery programme and Flutter Flower programme.

The charity is exempt from tax on income and gains to the extent that these are applied to its charitable objectives. No tax charges have arisen in the charity.

5. GOVERNMENT GRANT	2021 £	2020 £
Government grant released to income and expenditure	225	-
	-----	-----
	225	-
	=====	=====

EARTH RESTORATION SERVICE COMPANY LIMITED BY GUARANTEE

NOTES TO THE ACCOUNTS - CONTINUED

YEAR ENDED 31 DECEMBER 2021

6. SUPPORT COSTS

2021	Basis of Allocation	Raising Funds	UK School Tree and Flutter Programmes	International Restoration Programmes	Total
		£	£	£	£
Office and administration costs	Usage	204	-	-	204
Travel and subsistence	Staff time	-	-	-	-
Communication costs	Staff time	9	171	-	180
Depreciation	Direct	-	-	-	-
Programme set up and management fee including delivery of trees and charges	Usage/Staff time	3,718	28,759	-	32,477
Governance costs	Direct	1,516	-	-	1,516
		<u>5,447</u>	<u>28,930</u>	<u>-</u>	<u>34,377</u>

2020	Basis of Allocation	Raising Funds	UK School Tree and Flutter Programmes	International Restoration Programmes	Total
		£	£	£	£
Office and administration costs	Usage	61	-	-	61
Travel and subsistence	Staff time	10	190	-	200
Communication costs	Staff time	57	1,084	-	1,141
Depreciation	Direct	-	-	-	-
Programme set up and management fee including delivery of trees and charges	Usage/Staff time	1,292	28,787	-	30,079
Governance costs	Direct	1,900	-	-	1,900
		<u>3,320</u>	<u>30,061</u>	<u>-</u>	<u>33,381</u>

Governance costs	2021 £	2020 £
Accountancy and professional fees	1,200	1,900
Interest payable	316	-
	<u>1,516</u>	<u>1,900</u>

Included in the above is £1,200 (2020: £1,900) for the cost of an Independent Examination.

The expenditure for raising funds was £5,447 (2020: £3,320) which was unrestricted.

The expenditure for Charitable activities was £28,930 (2020: £30,061) which unrestricted.

EARTH RESTORATION SERVICE COMPANY LIMITED BY GUARANTEE

NOTES TO THE ACCOUNTS - CONTINUED

YEAR ENDED 31 DECEMBER 2021

7. CHARITABLE ACTIVITIES COSTS	Grant Funding £	Support Costs £	Total 2021 £	Total 2020 £
UK School Tree and Flutter Programmes	-	28,930	28,930	30,061
	-----	-----	-----	-----
	-	28,930	28,930	30,061
	=====	=====	=====	=====

All charitable activities costs in both 2020 and 2021 consisted solely of support costs.

8. GRANTS PAYABLE

There were no grants payable in the year.

9. STAFF COSTS AND TRUSTEES' REMUNERATION

The charity had no employees (this does not include trustees). The trustees did not receive any remuneration and were not reimbursed for any expenses during the current or previous year.

10. TANGIBLE FIXED ASSETS	Computer Equipment £	Website Costs £	Total £
Cost			
At 1 January 2021	6,105	8,117	14,222
Additions for the year	-	-	-
	-----	-----	-----
At 31 December 2021	6,105	8,117	14,222
	-----	-----	-----
Depreciation			
At 1 January 2021	6,105	8,117	14,222
Charge for the year	-	-	-
	-----	-----	-----
At 31 December 2021	6,105	8,117	14,222
	-----	-----	-----
Net Book Value			
At 31 December 2021	-	-	-
	=====	=====	=====
At 31 December 2020	-	-	-
	=====	=====	=====

EARTH RESTORATION SERVICE COMPANY LIMITED BY GUARANTEE

NOTES TO THE ACCOUNTS - CONTINUED

YEAR ENDED 31 DECEMBER 2021

11. DEBTORS: Amounts falling due within one year

	2021 £	2020 £
Prepayments and Accrued Income	9,075	5,000
	-----	-----
	9,075	5,000
	=====	=====

12. CREDITORS: Amounts falling due within one year

	2021 £	2020 £
Bank loans	1,800	1,800
Trade creditors	1,200	1,200
Accruals	1,200	1,200
	-----	-----
	4,200	4,200
	=====	=====

13. CREDITORS: Amounts falling due after more than one year

	2021 £	2020 £
Bank loans	6,450	7,200
	-----	-----
	6,450	7,200
	=====	=====

14. RELATED PARTY TRANSACTIONS

During the year payments totalling £2,500 have been paid to Marketing Town (Group) Limited for cost in raising fund, which the trustees P Phelps and H Colvin have a controlling interest.

Further payments totalling £7,075 were made to Marketing Town (Group) Limited in advance towards future costs in raising funds and these are included with prepayments.