

# GOODWEAVE UK

England & Wales - Charity number 1139218

## Details

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Other names	RUGMARK UK
Status	Registered
Legal form	Charitable company
Company number	<a href="#">04210546</a>
Registered	2010-11-29
Register	<a href="#">View on the Charity Commission register</a>

## Contact

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Address	55 Stoneydeep Twickenham Road Teddington Middlesex TW11 8BL
Phone	07710289202
Email	<a href="mailto:david@goodweave.org">david@goodweave.org</a>
Website	<a href="http://www.goodweave.org.uk">www.goodweave.org.uk</a>

## Activities

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**Objects:** 3.1) TO RELIEVE POVERTY SUFFERING AND DISTRESS IN ANY PART OF THE WORLD; AND 3.2) TO PROMOTE RESEARCH INTO AND EDUCATION CONCERNING THE CAUSES AND EFFECTS OF POVERTY PARTICULARLY (WITHOUT PREJUDICE TO THAT GENERALITY) IN RELATION TO THE CONDUCT OF BUSINESS AND TO THE CONDITIONS OF EMPLOYMENT (INCLUDING SELF-EMPLOYMENT) OF POOR PEOPLE IN ANY PART OF THE WORLD, AND TO PUBLISH THE USEFUL RESULTS OF THAT RESEARCH.

**Activities:** GoodWeave UK licences and promotes the use of the GoodWeave mark on carpets imported into the UK. Carpets bearing the mark have been certified by GoodWeave groups as free illegal child labour. Our Mission is to work to end illegal child labour in the rug industry and to offer educational opportunities to children in South Asia.

## Classification

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- **How:** Provides Other Finance, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief
- **Who:** Children/young People, The General Public/mankind

## Geography

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- **Area of benefit:** WORLDWIDE.
- Afghanistan
- India
- Nepal
- United States
- Throughout England And Wales

## Finances

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Period end	Income	Expenditure	Assets	Employees
2024-12-31	£102,686	£101,391	-	-
2023-12-31	£78,750	£80,692	-	-
2022-12-31	£66,209	£64,719	-	-
2021-12-31	£75,395	£73,100	-	-
2020-12-31	£53,531	£55,128	-	-

## Trustees

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Name	Role	Appointed
<b>DAVID JOHN OULD</b>	Chair	
Amanda Berlan		2013-10-23
<b>JONATHAN BLAGBROUGH</b>		
Kunera Moore - Korthals Altes		2023-10-23
<b>TERRY HUDGHTON</b>		

**GOODWEAVE UK**

England & Wales - Charity number 1139218

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# Accounts

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**GOODWEAVE UK**  
(A company limited by guarantee)

**REPORT & FINANCIAL STATEMENTS**  
**For the Year Ended 31<sup>st</sup> December 2024**

**Charity Registration No: 1139218**  
**Company Registration No: 4210546 (England & Wales)**

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2024**

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**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

The trustees of the charity present their report and financial statements for the year ended 31<sup>st</sup> December 2024.

The accounts have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the company's Memorandum and Articles of Association, the Companies Act 2006 and the 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).

**REFERENCE AND ADMINISTRATIVE INFORMATION**

**LEGAL STATUS**

Private company limited by guarantee exempt under Section 30.

**REGISTERED OFFICE**

7 Manor Road  
Teddington  
Middlesex  
TW11 8BH

**OPERATIONAL ADDRESS**

7 Manor Road  
Teddington  
Middlesex  
TW11 8BH

**DIRECTORS**

David Ould (Chair)  
Amanda Berlan  
Jonathan Blagbrough  
Kunera Moore- Korthals Altes  
Terry Hudghton

**COMPANY SECRETARY**

David Ould

**INDEPENDENT EXAMINER**

John McCullagh  
39 The Farthings  
Kingston Upon Thames  
KT2 7PT

**BANKERS**

The Co-operative Bank plc  
PO Box 101  
1 Balloon Street  
Manchester  
M60 4EP

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**DIRECTORS' REPORT**  
**GOVERNANCE**

**Governing Document**

The organisation is a charity, registered on 29<sup>th</sup> November 2010, and non-profit making company limited by guarantee, incorporated on 3<sup>rd</sup> May 2001. The company was established under a Memorandum of Association, which established the objects and powers of the company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

**Objectives**

The GoodWeave initiative has two objects:

- To relieve poverty suffering and distress in any part of the world; and
- To promote research into and education concerning the causes and effects of poverty particularly (without prejudice to that generality) in relation to the conduct of business and to the conditions of employment (including self-employment) of poor people in any part of the world, and to publish the useful results of that research.

In furtherance of these objects the organisation acts as the UK regional office of GoodWeave International, whose aims are:

- i) to eradicate illegal child labour in the carpet industry and such other products as certified by the GoodWeave label;
- ii) to provide children with concrete opportunities for education, vocational training, and other means for preparing to meet the future with hope;
- iii) to stimulate the employment of adults, so parents can support their families adequately;
- iv) to facilitate development programmes to improve the terms and conditions of employment for adult workers in the carpet and other industries with similar employment issues, consistent with internationally recognised labour standards. so that the industry can become a model for providing a living wage for skilled artisans and their families and for producing carpets using environmentally sound practices.

GoodWeave UK has exclusive licensing rights from GoodWeave International (the holder of the trademark) to the GoodWeave label in the United Kingdom and agrees to grant importers a licence to use the GoodWeave label to market carpets, rugs and other products manufactured according to the GoodWeave concept on the terms and conditions set out in the Licence Agreement.

**Statement of Directors' Responsibilities**

Company Law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure for the financial year. In preparing those financial statements, the directors are required to follow best practice and:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**DIRECTORS' REPORT (continued)**

- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which 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 charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

**Members of the Management Committee**

Members of the Management Committee, who are Directors for the purpose of company law, who served during the financial year and up to the date of this report are set out on page 3. The Directors are selected by the Board in the light of their knowledge and experience of the issues on which GoodWeave UK works.

In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's independent examiner is unaware; and
- as the directors of the company, we have taken all steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the company's independent examiner is aware of that information.

**The Charities Activities and Achievements**

In 2024 marketing for GoodWeave UK continued to be managed by GoodWeave International (GWI), employing a part-time UK-based consultant to handle regular contacts with the licensees in the UK.

The total UK licence fees in 2024 were £51,290 of which £29,307 were used for education, health and rehabilitation work with children and their families by our partners in the carpet-producing areas of India and Nepal. This was a decrease of 26% over 2023 and a reflection of a general decrease in hand made carpet sales in the UK and worldwide. GoodWeave signed two new carpet licensees in the UK in 2024 but this was offset by the termination of three licensees.

To date, GWI and its associates worldwide have rescued more than 10,000 children from child labour and supported education for some 100,000 children. It currently works with 180 importers from around the world to monitor their supply chains. More than 125,000 adults worked on some 6,000 sites licensed and inspected by GoodWeave International in Bangladesh, India, and Nepal in 2024.

GoodWeave has company partners/licensees in more than 20 countries and programmes in India, Nepal, Pakistan and Bangladesh. We currently work in the rug, home textile, apparel, fashion jewellery, and brick sectors, as well as running capacity building projects in additional sectors. GWI has gradually promoted the GoodWeave methodology more widely and in 2024 we continued the trial of our inspection and monitoring processes in the Bangladesh garment industry.

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**DIRECTORS' REPORT (continued)**

In 2024 Traid made a grant of £60,000 towards the costs of a one year GWI project in India and Nepal to Reduce Inequality and Child Labour in Textile Worker Communities in India and Nepal. £48,000 of this grant was made at the beginning of the project and the remaining £12,000 is due on completion.

**Financial Review**

The Directors of GoodWeave UK report a net surplus of £1,295 for the period under review. At the year-end there was a total reserve of £12,428; made up of £11,787 of unrestricted funds and £641 of restricted funds.

Details of the major items on the balance sheet can be found in the notes to the accounts. The fluctuations in debtors and creditors year on year are simply the result of the timing of receipts and payments around the year end.

**Reserves and Risk Management**

The trustees have agreed that GoodWeave UK can continue its operations and carry out its charitable activities with minimal reserves and as a result the reserves will be kept at a basic level during 2025. The trustees are confident that, because of the current methods of operation, this policy does not create any significant risk for the charity or its beneficiaries.

The trustees regularly examine the major risks that the charity faces and seeks to control these risks to mitigate any impact they may have on the charity. The majority of GWUK income comes from licence payments made in arrears and non-payment is an obvious risk. However, in practice these fees are simply passed through the GWUK accounts when received and so any loss to GWUK debtors will be offset by the same reduction in creditors.

**Public Benefit Statement**

Directors of a charity have a duty to report in their annual report on their charity's public benefit. The Directors have concluded that the section above on "Activities and Achievements" demonstrates that GoodWeave UK's work benefits a wide range of people and organisations in both the UK and South Asia and as a result:

- the aims of the charity continue to be charitable;
- the benefits are for the public, are not unreasonably restricted in any way and certainly not by ability to pay and;
- there is no detriment or harm arising from the aims or activities.

**Fundraising Statement**

The trustees have taken note of Sections 13 and 14 of the Charities (Protection and Social Investment) Act of 2016. GoodWeave UK does not use professional fundraisers. Fundraising activity with the general public is limited to a donation button on the website and links to this from social information platforms. No complaints about such activity were received by the charity during 2024.

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**DIRECTORS' REPORT (continued)**

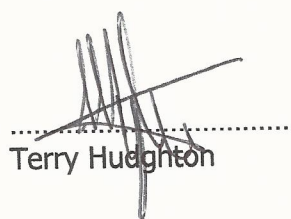
**Independent Examiner**

John McCullagh carried out the Independent Examination of the Company. In accordance with Section 485 of the Companies Act 2006, a resolution proposing the re-appointment of Mr John McCullagh as independent examiner will be put to first Board Meeting following the annual general meeting.

Approved by the Board on the 277 May 2025 and signed on its behalf by:



.....  
David Ould



.....  
Terry Hughton

## **INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS OF GOODWEAVE UK LTD**

I report on the financial statements of GoodWeave UK Limited for the year ended 31<sup>st</sup> December 2024 set out on pages 9 - 11 and notes to the accounts on pages 12 to 15. These financial statements have been prepared in accordance with the Charities SORP (FRS 102) under the historical cost convention and the accounting policies set out therein.

This report is made solely to the charity's trustees, as a body, in accordance with Section 145 of the Charities Act 2011 and regulations made under that Act. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for my audit work, for this report, or for the opinions I have formed.

### **Respective responsibilities of directors and independent examiner**

As described on page 4 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom accounting standards. My responsibility is to examine the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Standards.

I report to you my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with Companies Act 2006. I also report to you if, in my opinion, the Report of the Directors is not consistent with the financial statements, if the company has not kept proper accounting records, if I have not received all the information and explanations I require for the audit, or if information specified by law regarding directors' remunerations with the company is not disclosed. I read the Report of the Directors and consider the implications for my report, if I become aware of any apparent misstatement within it.

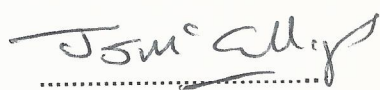
### **Basis of Opinion**

My work was conducted in accordance with the general directions given by the Charity Commission. An examination includes a review, on a test basis, of evidence relevant to the amount and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

I planned and performed the examination so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from misstatement, whether caused by fraud or other irregularity or error. In forming my opinion, I also evaluated adequately the presentation of information in the financial statements.

### **Opinion**

In my opinion the financial statements give a true and fair view of the company's affairs as at 31<sup>st</sup> December 2024 and of the surplus of incoming resources over resources expended for the year then ended and have been properly prepared in accordance with the Company's Act 2006 and principles of the Charities SORP (FRS 102).

  
.....  
John McCullagh

GOODWEAVE UK

Date:

2/6/25

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**Statement of Financial Activities**  
**(Including Income & Expenditure Account)**  
**For the year ended 31<sup>st</sup> December 2024**

	Notes	Unrestricted Funds £	2024 Restricted Funds £	Total Funds £	2023 Total Funds £
<b><u>Income and Endowments from Charitable Activities</u></b>					
Grants	3	-	48,000	48,000	-
Donations	4	1,328	400	1,728	7,492
Licence Fees	2	-	51,290	51,290	69,060
Sundry Income	5	-	1,473	1,473	1,363
Gift Aid		-	100	100	825
Bank Interest		95	-	95	10
<b>Total Incoming Resources</b>		<b>1,423</b>	<b>101,263</b>	<b>102,686</b>	<b>78,750</b>
<b><u>Expenditure on Charitable Activities</u></b>					
Direct Objectives	6	-	52,763	52,763	70,423
Grants	6	-	48,500	48,500	10,172
Management & Admin.	6	128	-	128	97
<b>Total Resources Expended</b>		<b>128</b>	<b>101,263</b>	<b>101,391</b>	<b>80,692</b>
<b>Net income (expenditure)</b>		<b>1,295</b>	<b>-</b>	<b>1,295</b>	<b>(1,942)</b>
Balance at 1 Jan 2024		10,492	641	11,133	13,075
Balance at 31 Dec 2024		<b>11,787</b>	<b>641</b>	<b>12,428</b>	<b>11,133</b>

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**Balance Sheet as at 31st December 2024**


	Notes	2024 £	2023 £
<b>CURRENT ASSETS</b>			
Debtors and Prepayments	8	37,302	60,155
Cash at Bank and in hand		17,076	14,216
		<b>54,378</b>	<b>74,371</b>
<b>LIABILITIES</b>			
Amounts falling due within one year	7	(41,950)	(63,238)
Net Current Assets		<b>12,428</b>	<b>11,133</b>
<b>FUNDS</b>			
Unrestricted Funds General		11,787	10,492
Restricted Funds		641	641
		<b>12,428</b>	<b>11,133</b>

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

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

The Board of Directors approved these accounts on 27 May 2025.

  
 .....  
 David Ould Director

  
 .....  
 Terry Hughton Director

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**Statement of Cash Flow at 31st December 2024**

	<b>Total Funds</b>	<b>Prior Year Funds</b>	<b>Note</b>
	<b>£</b>	<b>£</b>	
Cash Flows from Operating Activities	2,765	(13,208)	Table 9
Interest	95	10	
<b>Change in cash in 2024</b>			
Cash at 1 January	14,216	27,414	
Cash at 31 December	17,076	14,216	

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**NOTES TO THE ACCOUNTS**  
**For the Year Ended 31<sup>st</sup> December 2024**

**1) Accounting policies**

**a) Basis of preparation**

- i) The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2008) and the Companies Act 2006.
- ii) These accounts are the accounts of GoodWeave UK
- iii) These accounts have been prepared on an accruals basis and include income and expenditure as they are earned or incurred, rather than as cash is received or paid.
- iv) The recommendations of the 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) (effective 1 January 2019), have been followed in the preparation of these accounts. GoodWeave UK is a Public Benefit Entity as defined by FRS 102.

**b) Going concern**

At the time of approving the accounts, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

**b) Fund accounting**

- i) The company's unrestricted fund consists of funds, which the company may use for its purposes at its discretion.
- ii) The company's restricted funds are those where the licensee/donor has imposed restrictions on the use of the funds, which are legally binding.

**c) Voluntary income**

- i) All voluntary income is included upon receipt.
- ii) Grants receivable are credited to income immediately upon receipt.

**d) Investment income**

Credit is taken for interest when the interest falls due for payment.

**e) Administration expenditure**

Administration expenditure comprises costs incurred in running the charity. Where applicable, these costs have been treated as direct charitable expenditure.

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**NOTES TO THE ACCOUNTS (continued)**  
**For the Year Ended 31<sup>st</sup> December 2024**

**2. Licence Fees:**

Importers must pay a fee to be able to use the trademarked GoodWeave label and logo. 57% of the fee is sent to the GoodWeave office in the relevant producer country to fund random inspections, and welfare, education and rehabilitation activities. 43% contributes to promotion of the GoodWeave mark and aims in the UK and internationally.

Licensed importers must report on their imports and pay the licence fee within 30 days of each quarter day (March 31<sup>st</sup>, June 30<sup>th</sup>, September 30<sup>th</sup>, December 31<sup>st</sup>). Accounting is made for the quarter in which the licence fee is, or should have been, received for imports in the previous quarter.

Estimates of outstanding payments have been included in these accounts because they are a significant part of total assets and of the reserves.

Licence fee payments owed to GWUK at year end excluding VAT = £30,685

**3. Grants Received:**

£48,000 received from Traid as the first payment of a £60,000 grant towards the costs of a project: "Reducing Inequality and Child Labour in Textile Worker Communities in India and Nepal - 1 July 2024 – 30 June 2025".

**4. Donations Received:**

Donations received included:  
Wyndham Charitable Trust = £1,000

**5. Marketing Partner/Sponsor Payments Receivable:**

Income from marketing partner/sponsor = £1,473 (£316 receivable at the year-end)

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**NOTES TO THE ACCOUNTS (continued)**  
**For the Year Ended 31<sup>st</sup> December 2024**

**6. Direct Objectives**

<b>Item of Expenditure</b>	<b>Unrestricted (£)</b>	<b>Restricted (£)</b>	<b>Total (£)</b>
Transfer of licence fees to GoodWeave India/Nepal	-	29,307	29,307
Marketing and Licensing	-	23,456	23,456
Support to GWI	-	48,500	48,500
Management & Administration	128	-	128
<b>Total</b>	<b>128</b>	<b>101,263</b>	<b>101,391</b>

**7. Liabilities**

	<b>2024 (£)</b>	<b>2023 (£)</b>
Licence payments to Nepal/India	17,534	28,559
Marketing Payments to GWI	14,416	22,785
Donation for GWI	500	1,625
VAT Payment	9,500	10,269
<b>Total</b>	<b>41,950</b>	<b>63,238</b>

**8. Debtors**

<b>Item</b>	<b>2024 (£)</b>	<b>2023 (£)</b>
Licence fees	36,822	58,520
Private Label Fees	380	1,635
Gift Aid	100	-
	<b>37,302</b>	<b>60,155</b>

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**NOTES TO THE ACCOUNTS (continued)**  
**For the Year Ended 31<sup>st</sup> December 2024**

**9. Reconciliation of Net Income/(Expenditure) to Operating Activity Net Cash Flow**

	<b>2024 (£)</b>	<b>2023 (£)</b>
Net Income/(Expenditure) for 2022 as per the SOFA	1,295	(1,942)
Adjustments for:		
Interest	(95)	(10)
(Increase)/Decrease in Debtors	22,853	(23,851)
Increase/(Decrease) in Creditors	(21,288)	12,595
Net Cash Used in Operating Activities	<b>2,765</b>	<b>(13,208)</b>

**10. Share Capital:**

The company is limited by guarantee and does not have share capital.

**11. Remuneration of Directors:**

No directors received any remuneration or repayment of expenses in the year.

**12. Small Company Exemptions:**

"These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008). For the financial year ended 31 December 2024 the company was entitled to exemption from audit under section 477 Companies Act 2006; and no notice has been deposited under section 476.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 and for preparing financial statements 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 profit or loss for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company."

**GOODWEAVE UK**

England & Wales - Charity number 1139218

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# Accounts

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**GOODWEAVE UK**  
(A company limited by guarantee)

**REPORT & FINANCIAL STATEMENTS**  
**For the Year Ended 31<sup>st</sup> December 2023**

**Charity Registration No: 1139218**  
**Company Registration No: 4210546 (England & Wales)**

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2023**

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**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

The trustees of the charity present their report and financial statements for the year ended 31<sup>st</sup> December 2023.

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Middlesex  
TW11 8BH

**OPERATIONAL ADDRESS**

Bloxham Mill Business Centre,  
Barford Road,  
Bloxham,  
Oxon OX15 4FF

**DIRECTORS**

David Ould (Chair)  
Amanda Berlan  
Jonathan Blagbrough  
Kunera Moore- Korthals Altes (Joined Oct 2023)  
Terry Hudghton

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David Ould

**INDEPENDENT EXAMINER**

John McCullagh  
39 The Farthings  
Kingston Upon Thames  
KT2 7PT

**BANKERS**

The Co-operative Bank plc  
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**GOODWEAVE UK**  
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**GOVERNANCE**

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- To relieve poverty suffering and distress in any part of the world; and
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- iii) to stimulate the employment of adults, so parents can support their families adequately;
- iv) to facilitate development programmes to improve the terms and conditions of employment for adult workers in the carpet and other industries with similar employment issues, consistent with internationally recognised labour standards. so that the industry can become a model for providing a living wage for skilled artisans and their families and for producing carpets using environmentally sound practices.

GoodWeave UK has exclusive licensing rights from GoodWeave International (the holder of the trademark) to the GoodWeave label in the United Kingdom and agrees to grant importers a licence to use the GoodWeave label to market carpets, rugs and other products manufactured according to the GoodWeave concept on the terms and conditions set out in the Licence Agreement.

**Statement of Directors' Responsibilities**

Company Law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure for the financial year. In preparing those financial statements, the directors are required to follow best practice and:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);

## **GOODWEAVE UK (A Company Limited by Guarantee)**

### **DIRECTORS' REPORT (continued)**

- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which 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 charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

### **Members of the Management Committee**

Members of the Management Committee, who are Directors for the purpose of company law, who served during the financial year and up to the date of this report are set out on page 3. The Directors are selected by the Board in the light of their knowledge and experience of the issues on which GoodWeave UK works.

In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's independent examiner is unaware; and
- as the directors of the company, we have taken all steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the company's independent examiner is aware of that information.

### **The Charities Activities and Achievements**

In 2023 marketing for GoodWeave UK continued to be managed by GoodWeave International (GWI), employing a part-time UK-based consultant to handle regular contacts with the licensees in the UK. The Board agreed to provide £3,000 from its unrestricted reserves to help support the costs of GWI operating a stand at the Decorex exhibition in London in 2023.

The total UK licence fees in 2023 were £69,066 of which £39,461 were used for education and rehabilitation work with children and their families by our partners in the carpet-producing areas of India and Nepal. This was an increase of 8.7% over 2022. GoodWeave signed five new carpet licensees in the UK in 2023 but this was offset by the termination of three small licensees.

To date, GWI and its associates worldwide have rescued more than 10,000 children from child labour and supported education for some 90,000 children. It currently works with 180 importers from around the world to monitor their supply chains. More than 1170,000 adults worked on some 6,000 sites licensed and inspected by GoodWeave International in Bangladesh, India, and Nepal in 2023. During 2023 GWI inspections gradually returned from remote inspections to 100% on-site inspections and the number of inspections increased.

GoodWeave has company partners/licensees in more than 20 countries and programmes in India, Nepal, Pakistan and Bangladesh. We currently work in the rug, home textile, apparel, fashion jewellery, and brick sectors, as well as running capacity building projects in additional sectors. GWI has gradually promoted the GoodWeave methodology more widely and in 2023 the use of our

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**DIRECTORS' REPORT (continued)**

inspection and monitoring processes were trialled in the Bangladesh garment industry, and in sugar cane in Pakistan.

**Financial Review**

The Directors of GoodWeave UK report a net deficit of £1,942 for the period under review. At the year-end there was a total reserve of £11,133; made up of £10,492 of unrestricted funds and £641 of restricted funds.

Details of the major items on the balance sheet can be found in the notes to the accounts. The fluctuations in debtors and creditors year on year are simply the result of the timing of receipts and payments around the year end.

**Reserves and Risk Management**

The trustees have agreed that GoodWeave UK can continue its operations and carry out its charitable activities with minimal reserves and as a result the reserves will be kept at a basic level during 2024. The trustees spent some of the unrestricted reserves during 2023 to support GWI marketing in the UK. The trustees are confident that, because of the current methods of operation, this policy does not create any significant risk for the charity or its beneficiaries.

The trustees regularly examine the major risks that the charity faces and seeks to control these risks to mitigate any impact they may have on the charity. The majority of GWUK income comes from licence payments made in arrears and non-payment is an obvious risk. However, in practice these fees are simply passed through the GWUK accounts when received and so any loss to GWUK debtors will be offset by the same reduction in creditors.

**Public Benefit Statement**

Directors of a charity have a duty to report in their annual report on their charity's public benefit. The Directors have concluded that the section above on "Activities and Achievements" demonstrates that GoodWeave UK's work benefits a wide range of people and organisations in both the UK and South Asia and as a result:

- the aims of the charity continue to be charitable;
- the benefits are for the public, are not unreasonably restricted in any way and certainly not by ability to pay and;
- there is no detriment or harm arising from the aims or activities.

**Fundraising Statement**

The trustees have taken note of Sections 13 and 14 of the Charities (Protection and Social Investment) Act of 2016. GoodWeave UK does not use professional fundraisers. Fundraising activity with the general public is limited to a donation button on the website and links to this from social information platforms. No complaints about such activity were received by the charity during 2023.

**GOODWEAVE UK  
(A Company Limited by Guarantee)**

**DIRECTORS' REPORT (continued)**

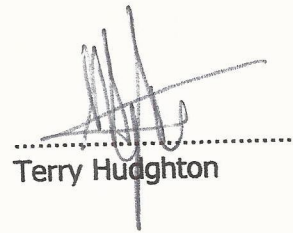
**Independent Examiner**

John McCullagh carried out the Independent Examination of the Company. In accordance with Section 485 of the Companies Act 2006, a resolution proposing the re-appointment of Mr John McCullagh as independent examiner will be put to first Board Meeting following the annual general meeting.

Approved by the Board on the 20<sup>th</sup> May 2024 and signed on its behalf by:



.....  
David Ould



.....  
Terry Hughton

## **INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS OF GOODWEAVE UK LTD**

I report on the financial statements of GoodWeave UK Limited for the year ended 31<sup>st</sup> December 2023 set out on pages 9 - 11 and notes to the accounts on pages 12 to 15. These financial statements have been prepared in accordance with the Charities SORP (FRS 102) under the historical cost convention and the accounting policies set out therein.

This report is made solely to the charity's trustees, as a body, in accordance with Section 145 of the Charities Act 2011 and regulations made under that Act. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for my audit work, for this report, or for the opinions I have formed.

### **Respective responsibilities of directors and independent examiner**

As described on page 4 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom accounting standards. My responsibility is to examine the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Standards.

I report to you my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with Companies Act 2006. I also report to you if, in my opinion, the Report of the Directors is not consistent with the financial statements, if the company has not kept proper accounting records, if I have not received all the information and explanations I require for the audit, or if information specified by law regarding directors' remunerations with the company is not disclosed. I read the Report of the Directors and consider the implications for my report, if I become aware of any apparent misstatement within it.

### **Basis of Opinion**

My work was conducted in accordance with the general directions given by the Charity Commission. An examination includes a review, on a test basis, of evidence relevant to the amount and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

I planned and performed the examination so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from misstatement, whether caused by fraud or other irregularity or error. In forming my opinion, I also evaluated adequately the presentation of information in the financial statements.

### **Opinion**

In my opinion the financial statements give a true and fair view of the company's affairs as at 31<sup>st</sup> December 2023 and of the surplus of incoming resources over resources expended for the year then ended and have been properly prepared in accordance with the Company's Act 2006 and principles of the Charities SORP (FRS 102).



John McCullagh

GOODWEAVE UK

Date:

10 June 2024

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**Statement of Financial Activities**  
**(Including Income & Expenditure Account)**  
**For the year ended 31<sup>st</sup> December 2023**

	Notes	Unrestricted Funds £	2023 Restricted Funds £	Total Funds £	2022 Total Funds £
<b><u>Income and Endowments from Charitable Activities</u></b>					
Grants	3	-	-	-	-
Donations	4	1,145	6,347	7,492	1,096
Licence Fees	2	-	69,060	69,060	63,566
Sundry Income	5	-	1,363	1,363	1,546
Gift Aid		-	825	825	-
Bank Interest		10	-	10	1
<b>Total Incoming Resources</b>		<b>1,155</b>	<b>77,595</b>	<b>78,750</b>	<b>66,209</b>
<b><u>Expenditure on Charitable Activities</u></b>					
Direct Objectives	6	-	70,423	70,423	64,469
Grants	6	3,000	7,172	10,172	-
Management & Admin.	6	97	-	97	70
<b>Total Resources Expended</b>		<b>3,097</b>	<b>77,595</b>	<b>80,692</b>	<b>64,719</b>
<b>Net income (expenditure)</b>		<b>(1,942)</b>	<b>-</b>	<b>(1,942)</b>	<b>1,490</b>
Balance at 1 Jan 2023		12,434	641	13,075	11,585
Balance at 31 Dec 2023		<b>10,492</b>	<b>641</b>	<b>11,133</b>	<b>13,075</b>

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**Balance Sheet as at 31st December 2023**

	Notes	2023 £	2022 £
<b>CURRENT ASSETS</b>			
Debtors and Prepayments	8	60,155	36,304
Cash at Bank and in hand		14,216	27,414
		<u>74,371</u>	<u>63,718</u>
<b>LIABILITIES</b>			
Amounts falling due within one year	7	(63,238)	(50,643)
		<u>11,133</u>	<u>13,075</u>
Net Current Assets			
<b>FUNDS</b>			
Unrestricted Funds General		10,492	12,434
Restricted Funds		641	641
		<u>11,133</u>	<u>13,075</u>

The directors 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 financial statements 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.

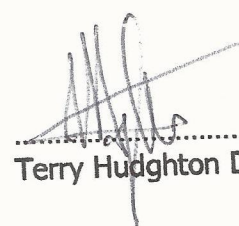
The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements

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

The Board of Directors approved these accounts on 20th May 2024.



.....  
David Ould Director



.....  
Terry Hudghton Director

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**Statement of Cash Flow at 31st December 2023**

	<b>Total Funds</b>	<b>Prior Year Funds</b>	<b>Note</b>
	<b>£</b>	<b>£</b>	
Cash Flows from Operating Activities	(13,208)	(6,915)	Table 9
Interest	10	1	
<b>Change in cash in 2023</b>			
Cash at 1 January	27,414	34,328	
Cash at 31 December	14,216	27,414	

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**NOTES TO THE ACCOUNTS**  
**For the Year Ended 31<sup>st</sup> December 2023**

**1) Accounting policies**

**a) Basis of preparation**

- i) The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2008) and the Companies Act 2006.
- ii) These accounts are the accounts of GoodWeave UK
- iii) These accounts have been prepared on an accruals basis and include income and expenditure as they are earned or incurred, rather than as cash is received or paid.
- iv) The recommendations of the 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) (effective 1 January 2019), have been followed in the preparation of these accounts. GoodWeave UK is a Public Benefit Entity as defined by FRS 102.

**b) Going concern**

At the time of approving the accounts, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

**b) Fund accounting**

- i) The company's unrestricted fund consists of funds, which the company may use for its purposes at its discretion.
- ii) The company's restricted funds are those where the licensee/donor has imposed restrictions on the use of the funds, which are legally binding.

**c) Voluntary income**

- i) All voluntary income is included upon receipt.
- ii) Grants receivable are credited to income immediately upon receipt.

**d) Investment income**

Credit is taken for interest when the interest falls due for payment.

**e) Administration expenditure**

Administration expenditure comprises costs incurred in running the charity. Where applicable, these costs have been treated as direct charitable expenditure.

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**NOTES TO THE ACCOUNTS (continued)**  
**For the Year Ended 31<sup>st</sup> December 2023**

**2. Licence Fees:**

Importers must pay a fee to be able to use the trademarked GoodWeave label and logo. 57% of the fee is sent to the GoodWeave office in the relevant producer country to fund random inspections, and welfare, education and rehabilitation activities. 43% contributes to promotion of the GoodWeave mark and aims in the UK

Licensed importers must report on their imports and pay the licence fee within 30 days of each quarter day (March 31<sup>st</sup>, June 30<sup>th</sup>, September 30<sup>th</sup>, December 31<sup>st</sup>). Accounting is made for the quarter in which the licence fee is, or should have been, received for imports in the previous quarter.

Estimates of outstanding payments have been included in these accounts because they are a significant part of total assets and of the reserves. In 2023 GWUK had to write off £948 of licensee debts because the companies concerned had ceased GoodWeave related activity. This had no impact on the profit and loss as it reduced our GWI creditor by the same amount.

Licence fee payments owed to GWUK at year end = £48,767

**3. Grants Received:**

**4. Donations Received:**

Donations received included:  
Wyndham Charitable Trust = £1,000

**5. Marketing Partner/Sponsor Payments Receivable:**

Income from marketing partner/sponsor = £1,363 (£1,363 receivable at the year-end)

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**NOTES TO THE ACCOUNTS (continued)**  
**For the Year Ended 31<sup>st</sup> December 2023**

**6. Direct Objectives**

<b>Item of Expenditure</b>	<b>Unrestricted (£)</b>	<b>Restricted (£)</b>	<b>Total (£)</b>
Transfer of licence fees to GoodWeave India/Nepal	-	39,461	39,461
Marketing and Licensing	-	30,962	30,962
Support to GWI	3,000	7,172	10,172
Management & Administration	97	-	97
<b>Total</b>	<b>3,097</b>	<b>77,595</b>	<b>80,692</b>

**7. Liabilities**

	<b>2023 (£)</b>	<b>2022 (£)</b>
Licence payments to Nepal/India	28,559	23,797
Marketing Payments to GWI	22,785	18,513
Donation for GWI	1,625	-
VAT Payment	10,269	8,333
<b>Total</b>	<b>63,238</b>	<b>50,643</b>

**8. Debtors**

<b>Item</b>	<b>2023 (£)</b>	<b>2022 (£)</b>
Licence fees	58,520	35,508
Private Label Fees	1,635	796
Gift Aid	-	-
	<b>60,155</b>	<b>36,304</b>

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**NOTES TO THE ACCOUNTS (continued)**  
**For the Year Ended 31<sup>st</sup> December 2023**

**9. Reconciliation of Net Income/(Expenditure) to Operating Activity Net Cash Flow**

	<b>2023 (£)</b>	<b>2022 (£)</b>
Net Income/(Expenditure) for 2022 as per the SOFA	(1,942)	1,490
Adjustments for:		
Interest	(10)	(1)
(Increase)/Decrease in Debtors	(23,851)	276
Increase/(Decrease) in Creditors	12,595	(8,680)
Net Cash Used in Operating Activities	<b>(13,208)</b>	<b>(6,915)</b>

**10. Share Capital:**

The company is limited by guarantee and does not have share capital.

**11. Remuneration of Directors:**

No directors received any remuneration or repayment of expenses in the year.

**12. Small Company Exemptions:**

"These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008). For the financial year ended 31 December 2023 the company was entitled to exemption from audit under section 477 Companies Act 2006; and no notice has been deposited under section 476.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 and for preparing financial statements 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 profit or loss for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company."

**GOODWEAVE UK**

England & Wales - Charity number 1139218

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# Accounts

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**GOODWEAVE UK**  
**(A company limited by guarantee)**

**REPORT & FINANCIAL STATEMENTS**  
**For the Year Ended 31<sup>st</sup> December 2022**

**Charity Registration No: 1139218**  
**Company Registration No: 4210546 (England & Wales)**

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**

<b>CONTENTS</b>	<b>PAGE</b>
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Report of Directors	4-7
Independent Examiner's Report	8
Statement of Financial Activities	9
Balance Sheet	10
Statement of Cash Flows	11
Notes forming part of the Financial Statements	12-15

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

The trustees of the charity present their report and financial statements for the year ended 31<sup>st</sup> December 2022.

The accounts have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the company's Memorandum and Articles of Association, the Companies Act 2006 and the 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) (effective 1 January 2015).

**REFERENCE AND ADMINISTRATIVE INFORMATION**

**LEGAL STATUS**

Private company limited by guarantee exempt under Section 30.

**REGISTERED OFFICE**

7 Manor Road  
Teddington  
Middlesex  
TW11 8BH

**OPERATIONAL ADDRESS**

Bloxham Mill Business Centre,  
Barford Road,  
Bloxham,  
Oxon OX15 4FF

**DIRECTORS**

David Ould (Chair)  
Amanda Berlan  
Jonathan Blagbrough  
Terry Hudghton

**COMPANY SECRETARY**

David Ould

**INDEPENDENT EXAMINER**

John McCullagh  
39 The Farthings  
Kingston Upon Thames  
KT2 7PT

**SOLICITORS**

Lovells  
65 Holborn Viaduct  
London EC1A 2FG

**BANKERS**

The Co-operative Bank plc  
PO Box 101  
1 Balloon Street  
Manchester  
M60 4EP

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**DIRECTORS' REPORT**  
**GOVERNANCE**

**Governing Document**

The organisation is a charity, registered on 29<sup>th</sup> November 2010, and non-profit making company limited by guarantee, incorporated on 3<sup>rd</sup> May 2001. The company was established under a Memorandum of Association, which established the objects and powers of the company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

**Objectives**

The GoodWeave initiative has two objects:

- To relieve poverty suffering and distress in any part of the world; and
- To promote research into and education concerning the causes and effects of poverty particularly (without prejudice to that generality) in relation to the conduct of business and to the conditions of employment (including self-employment) of poor people in any part of the world, and to publish the useful results of that research.

In furtherance of these objects the organisation acts as the UK regional office of GoodWeave International, whose aims are:

- i) to eradicate illegal child labour in the carpet industry and such other products as certified by the GoodWeave label;
- ii) to provide children with concrete opportunities for education, vocational training, and other means for preparing to meet the future with hope;
- iii) to stimulate the employment of adults, so parents can support their families adequately;
- iv) to facilitate development programmes to improve the terms and conditions of employment for adult workers in the carpet and other industries with similar employment issues, consistent with internationally recognised labour standards. so that the industry can become a model for providing a living wage for skilled artisans and their families and for producing carpets using environmentally sound practices.

GoodWeave UK has exclusive licensing rights from GoodWeave International (the holder of the trademark) to the GoodWeave label in the United Kingdom and agrees to grant importers a licence to use the GoodWeave label to market carpets, rugs and other products manufactured according to the GoodWeave concept on the terms and conditions set out in the Licence Agreement.

**Statement of Directors' Responsibilities**

Company Law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure for the financial year. In preparing those financial statements, the directors are required to follow best practice and:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);

## **GOODWEAVE UK (A Company Limited by Guarantee)**

### **DIRECTORS' REPORT (continued)**

- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which 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 charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

### **Members of the Management Committee**

Members of the Management Committee, who are Directors for the purpose of company law, who served during the financial year and up to the date of this report are set out on page 3. The Directors are selected by the Board in the light of their knowledge and experience of the issues on which GoodWeave UK works.

In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's independent examiner is unaware; and
- as the directors of the company, we have taken all steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the company's independent examiner is aware of that information.

### **The Charities Activities and Achievements**

In 2022 marketing for GoodWeave UK continued to be managed by GWI, employing a part-time UK-based consultant to handle regular contacts with the licensees in the UK.

The total UK licence fees in 2022 were £63,566 of which £36,321 were used for education and rehabilitation work with children and their families by our partners in the carpet-producing areas of India and Nepal. This was a decrease of 10% over 2021, mainly as a result of order timing by one large importer and a general slowdown in the worldwide carpet market. GoodWeave signed five new carpet licensees in the UK in 2022 but this was offset by the termination of three small licensees.

To date, GWI and its associates have rescued more than 9,000 children from child labour, supported education for some 44,000 children, and now works with 190 importers worldwide to monitor their supply chains. More than 90,000 adults worked on some 6,000 sites licensed and inspected by GoodWeave International in Bangladesh, India, and Nepal in 2022. GWI has gradually promoted the GoodWeave methodology more widely and in 2022 the inspection and monitoring processes were trialled in the Bangladesh garment industry, brick kilns in Nepal, tea in India and sugar cane in Pakistan.

During 2022 GWI inspections gradually returned from remote inspections to on-site inspections and the number of inspections increased. The Covid support scheme for workers in the carpet and garment industries in India, Bangladesh and Nepal was run down. In the period 2020 to 2022 170,000 people were helped with remote learning for children, food aid, hygiene services and Covid health and safety information.

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**DIRECTORS' REPORT (continued)**

**Financial Review**

The Directors of GoodWeave UK report a net surplus of £1,491 for the period under review. At the year-end there was a total reserve of £13,075; made up of £12,434 of unrestricted funds and £641 of restricted funds.

Details of the major items on the balance sheet can be found in the notes to the accounts. The fluctuations in debtors and creditors year on year are simply the result of the timing of receipts and payments around the year end.

**Reserves and Risk Management**

The trustees have agreed that GoodWeave UK can continue its operations and carry out its charitable activities with minimal reserves and as a result the reserves will be kept at a basic level during 2023. The trustees intend to allocate some of the existing unrestricted reserves as soon as GWI operations return to normal. The trustees are confident that, because of the current methods of operation, this policy does not create any significant risk for the charity or its beneficiaries.

The trustees regularly examine the major risks that the charity faces and seeks to control these risks to mitigate any impact they may have on the charity. The majority of GWUK income comes from licence payments made in arrears and non-payment is an obvious risk. However, in practice these fees are simply passed through the GWUK accounts when received and so any loss to GWUK debtors will be offset by the same reduction in creditors.

**Public Benefit Statement**

Directors of a charity have a duty to report in their annual report on their charity's public benefit. The Directors have concluded that the section above on "Activities and Achievements" demonstrates that GoodWeave UK's work benefits a wide range of people and organisations in both the UK and South Asia and as a result:

- the aims of the charity continue to be charitable;
- the benefits are for the public, are not unreasonably restricted in any way and certainly not by ability to pay and;
- there is no detriment or harm arising from the aims or activities.

**Fundraising Statement**

The trustees have taken note of Sections 13 and 14 of the Charities (Protection and Social Investment) Act of 2016. GoodWeave UK does not use professional fundraisers. Fundraising activity with the general public is limited to a donation button on the website and links to this from social information platforms. No complaints about such activity were received by the charity during 2022.

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**DIRECTORS' REPORT (continued)**

**Independent Examiner**

John McCullagh carried out the Independent Examination of the Company. In accordance with Section 485 of the Companies Act 2006, a resolution proposing the re-appointment of Mr John McCullagh as independent examiner will be put to first Board Meeting following the annual general meeting.

Approved by the Board on the 28 April 2023 and signed on its behalf by:



.....  
David Ould



.....  
Terry Hudghton

## **INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS OF GOODWEAVE UK LTD**

I report on the financial statements of GoodWeave UK Limited for the year ended 31<sup>st</sup> December 2022 set out on pages 9 - 11 and notes to the accounts on pages 12 to 15. These financial statements have been prepared in accordance with the Charities SORP (FRS 102) under the historical cost convention and the accounting policies set out therein.

This report is made solely to the charity's trustees, as a body, in accordance with Section 145 of the Charities Act 2011 and regulations made under that Act. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for my audit work, for this report, or for the opinions I have formed.

### **Respective responsibilities of directors and independent examiner**

As described on page 4 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom accounting standards.

My responsibility is to examine the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Standards.

I report to you my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with Companies Act 2006. I also report to you if, in my opinion, the Report of the Directors is not consistent with the financial statements, if the company has not kept proper accounting records, if I have not received all the information and explanations I require for the audit, or if information specified by law regarding directors' remunerations with the company is not disclosed. I read the Report of the Directors and consider the implications for my report, if I become aware of any apparent misstatement within it.

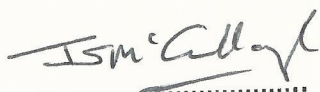
### **Basis of Opinion**

My work was conducted in accordance with the general directions given by the Charity Commission. An examination includes a review, on a test basis, of evidence relevant to the amount and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

I planned and performed the examination so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from misstatement, whether caused by fraud or other irregularity or error. In forming my opinion, I also evaluated adequately the presentation of information in the financial statements.

### **Opinion**

In my opinion the financial statements give a true and fair view of the company's affairs as at 31<sup>st</sup> December 2022 and of the surplus of incoming resources over resources expended for the year then ended and have been properly prepared in accordance with the Company's Act 2006 and principles of the Charities SORP (FRS 102).

  
.....  
John McCullagh

Date: 10 May 2023

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**Statement of Financial Activities**  
**(Including Income & Expenditure Account)**  
**For the year ended 31<sup>st</sup> December 2022**

	Notes	Unrestricted Funds £	2022 Restricted Funds £	Total Funds £	2021 Total Funds £
<b><u>Income and Endowments from Charitable Activities</u></b>					
Grants	3	-	-	-	-
Donations	4	1,096	-	1,096	3,236
Licence Fees	2	-	63,566	63,566	70,896
Sundry Income	5	463	1,083	1,546	863
Gift Aid		-	-	-	400
Bank Interest		1	-	1	-
<b>Total Incoming Resources</b>		<b>1,560</b>	<b>64,649</b>	<b>66,209</b>	<b>75,395</b>
<b><u>Expenditure on Charitable Activities</u></b>					
Direct Objectives	6	-	64,649	64,649	72,238
Grants	6	-	-	-	808
Management & Admin.	6	70	-	70	54
<b>Total Resources Expended</b>		<b>70</b>	<b>64,649</b>	<b>64,719</b>	<b>73,100</b>
<b>Net income (expenditure)</b>		<b>1,490</b>	<b>-</b>	<b>1,490</b>	<b>2,295</b>
Balance at 1 Jan 2022		10,944	641	11,585	9,290
Balance at 31 Dec 2022		<b>12,434</b>	<b>641</b>	<b>13,075</b>	<b>11,585</b>

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**Balance Sheet as at 31st December 2022**

	Notes	2022 £	2021 £
<b>CURRENT ASSETS</b>			
Debtors and Prepayments	8	36,304	36,580
Cash at Bank and in hand		27,414	34,328
		<b>63,718</b>	<b>70,908</b>
<b>LIABILITIES</b>			
Amounts falling due within one year	7	(50,643)	(59,323)
Net Current Assets		<b>13,075</b>	<b>11,585</b>
<b>FUNDS</b>			
Unrestricted Funds General		12,434	10,944
Restricted Funds		641	641
		<b>13,075</b>	<b>11,585</b>

The directors 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 financial statements 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.

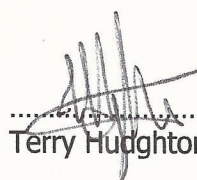
The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements

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

The Board of Directors approved these accounts on 28 April 2023.



.....  
David Ould Director



.....  
Terry Hudghton Director



**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**Statement of Cash Flow at 31st December 2022**

	<b>Total Funds</b>	<b>Prior Year Funds</b>	<b>Note</b>
	<b>£</b>	<b>£</b>	
Cash Flows from Operating Activities	(6,915)	16,711	Table 9
Interest	1	-	
<b>Change in cash in 2022</b>			
Cash at 1 January	34,328	17,617	
Cash at 31 December	27,414	34,328	

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**NOTES TO THE ACCOUNTS**  
**For the Year Ended 31<sup>st</sup> December 2022**

**1) Accounting policies**

**a) Basis of preparation**

- i) The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2008) and the Companies Act 2006.
- ii) These accounts are the accounts of GoodWeave UK
- iii) These accounts have been prepared on an accruals basis and include income and expenditure as they are earned or incurred, rather than as cash is received or paid.
- iv) The recommendations of the 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) (effective 1 January 2015), have been followed in the preparation of these accounts. GoodWeave UK is a Public Benefit Entity as defined by FRS 102.

**b) Going concern**

At the time of approving the accounts, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustees' continue to adopt the going concern basis of accounting in preparing the accounts.

**b) Fund accounting**

- i) The company's unrestricted fund consists of funds, which the company may use for its purposes at its discretion.
- ii) The company's restricted funds are those where the licensee/donor has imposed restrictions on the use of the funds, which are legally binding.

**c) Voluntary income**

- i) All voluntary income is included upon receipt.
- ii) Grants receivable are credited to income immediately upon receipt.

**d) Investment income**

Credit is taken for interest when the interest falls due for payment.

**e) Administration expenditure**

Administration expenditure comprises costs incurred in running the charity. Where applicable, these costs have been treated as direct charitable expenditure.

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**NOTES TO THE ACCOUNTS (continued)**  
**For the Year Ended 31<sup>st</sup> December 2022**

**2. Licence Fees:**

Importers must pay a fee to be able to use the trademarked GoodWeave label and logo. 57% of the fee is sent to the GoodWeave office in the relevant producer country to fund random inspections, and welfare, education and rehabilitation activities. 43% contributes to promotion of the GoodWeave mark and aims in the UK

Licensed importers must report on their imports and pay the licence fee within 30 days of each quarter day (March 31<sup>st</sup>, June 30<sup>th</sup>, September 30<sup>th</sup>, December 31<sup>st</sup>). Accounting is made for the quarter in which the licence fee is, or should have been, received for imports in the previous quarter.

Estimates of outstanding payments have been included in these accounts because they are a significant part of total assets and of the reserves. In 2022 GWUK had to write off £296 of licensee debts because the companies concerned had ceased GoodWeave related activity. This had no impact on the profit and loss as it reduced our GWI creditor by the same amount.

Licence fee payments owed to GWUK at year end = £29,590

**3. Grants Received:**

**4. Donations Received:**

Donations received included:  
Wyndham Charitable Trust = £1,000

**5. Marketing Partner/Sponsor Payments Receivable:**

Income from marketing partner/sponsor = £1,211 (£663 receivable at the year-end)

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**NOTES TO THE ACCOUNTS (continued)**  
**For the Year Ended 31<sup>st</sup> December 2022**

**6. Direct Objectives**

<b>Item of Expenditure</b>	<b>Unrestricted (£)</b>	<b>Restricted (£)</b>	<b>Total (£)</b>
GoodWeave International Project Grant to GWI*	-	-	-
<b>Total Grants</b>	-	-	-
Transfer of licence fees to GoodWeave India/Nepal	-	36,321	36,321
Marketing and Licensing	-	28,328	28,328
Support to GWI	-	-	-
Management & Administration	70	-	70
<b>Total</b>	<b>70</b>	<b>64,649</b>	<b>64,719</b>

\*Note: no support costs were incurred in making the grants apart from bank charges for the transfers.

**7. Liabilities**

	<b>2022 (£)</b>	<b>2021 (£)</b>
Licence payments to Nepal/India	23,797	32,651
Marketing Payments to GWI	18,513	25,083
VAT Payment	8,333	1,589
<b>Total</b>	<b>50,643</b>	<b>59,323</b>

**8. Debtors**

<b>Item</b>	<b>2022 (£)</b>	<b>2021 (£)</b>
Licence fees	35,508	35,589
Private Label Fees	796	591
Gift Aid	-	400
	<b>36,304</b>	<b>36,580</b>

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**NOTES TO THE ACCOUNTS (continued)**  
**For the Year Ended 31<sup>st</sup> December 2022**

**9. Reconciliation of Net Income/(Expenditure) to Operating Activity Net Cash Flow**

	<b>2022 (£)</b>	<b>2021 (£)</b>
Net Income/(Expenditure) for 2022 as per the SOFA	1,490	2,295
Adjustments for:		
Interest	(1)	-
(Increase)/Decrease in Debtors	276	4,126
Increase/(Decrease) in Creditors	(8680)	10,290
Net Cash Used in Operating Activities	<b>(6,915)</b>	<b>16,711</b>

**10. Share Capital:**

The company is limited by guarantee and does not have share capital.

**11. Remuneration of Directors:**

No directors received any remuneration or repayment of expenses in the year.

**12. Small Company Exemptions:**

"These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008). For the financial year ended 31 December 2022 the company was entitled to exemption from audit under section 477 Companies Act 2006; and no notice has been deposited under section 476.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 and for preparing financial statements 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 profit or loss for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company."

**GOODWEAVE UK**

England & Wales - Charity number 1139218

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# Accounts

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**GOODWEAVE UK**  
**(A company limited by guarantee)**

**REPORT & FINANCIAL STATEMENTS**  
**For the Year Ended 31<sup>st</sup> December 2021**

**Charity Registration No: 1139218**  
**Company Registration No: 4210546 (England & Wales)**

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

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**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

The trustees of the charity present their report and financial statements for the year ended 31<sup>st</sup> December 2021.

The accounts have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the company's Memorandum and Articles of Association, the Companies Act 2006 and the 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) (effective 1 January 2015).

**REFERENCE AND ADMINISTRATIVE INFORMATION**

**LEGAL STATUS**

Private company limited by guarantee exempt under Section 30.

**REGISTERED OFFICE**

7 Manor Road  
Teddington  
Middlesex  
TW11 8BH

**OPERATIONAL ADDRESS**

Bloxham Mill Business Centre,  
Barford Road,  
Bloxham,  
Oxon OX15 4FF

**DIRECTORS**

David Ould (Chair)  
Amanda Berlan  
Jonathan Blagbrough  
Terry Hudghton

**COMPANY SECRETARY**

David Ould

**INDEPENDENT EXAMINER**

John McCullagh  
39 The Farthings  
Kingston Upon Thames  
KT2 7PT

**SOLICITORS**

Lovells  
65 Holborn Viaduct  
London EC1A 2FG

**BANKERS**

The Co-operative Bank plc  
PO Box 101  
1 Balloon Street  
Manchester  
M60 4EP

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**DIRECTORS' REPORT**  
**GOVERNANCE**

**Governing Document**

The organisation is a charity, registered on 29<sup>th</sup> November 2010, and non-profit making company limited by guarantee, incorporated on 3<sup>rd</sup> May 2001. The company was established under a Memorandum of Association, which established the objects and powers of the company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

**Objectives**

The GoodWeave initiative has two objects:

- To relieve poverty suffering and distress in any part of the world; and
- To promote research into and education concerning the causes and effects of poverty particularly (without prejudice to that generality) in relation to the conduct of business and to the conditions of employment (including self-employment) of poor people in any part of the world, and to publish the useful results of that research.

In furtherance of these objects the organisation acts as the UK regional office of GoodWeave International, whose aims are:

- i) to eradicate illegal child labour in the carpet industry and such other products as certified by the GoodWeave label;
- ii) to provide children with concrete opportunities for education, vocational training, and other means for preparing to meet the future with hope;
- iii) to stimulate the employment of adults, so parents can support their families adequately;
- iv) to facilitate development programmes to improve the terms and conditions of employment for adult workers in the carpet and other industries with similar employment issues, consistent with internationally recognised labour standards. so that the industry can become a model for providing a living wage for skilled artisans and their families and for producing carpets using environmentally sound practices.

GoodWeave UK has exclusive licensing rights from GoodWeave International (the holder of the trademark) to the GoodWeave label in the United Kingdom and agrees to grant importers a licence to use the GoodWeave label to market carpets, rugs and other products manufactured according to the GoodWeave concept on the terms and conditions set out in the Licence Agreement.

**Statement of Directors' Responsibilities**

Company Law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure for the financial year. In preparing those financial statements, the directors are required to follow best practice and:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);

## **GOODWEAVE UK (A Company Limited by Guarantee)**

### **DIRECTORS' REPORT (continued)**

- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which 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 charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

### **Members of the Management Committee**

Members of the Management Committee, who are Directors for the purpose of company law, who served during the financial year and up to the date of this report are set out on page 3. The Directors are selected by the Board in the light of their knowledge and experience of the issues on which GoodWeave UK works.

In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's independent examiner is unaware; and
- as the directors of the company, we have taken all steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the company's independent examiner is aware of that information.

### **The Charities Activities and Achievements**

In 2021 marketing for GoodWeave UK continued to be managed by GWI, employing a part-time UK-based consultant to handle regular contacts with the licensees in the UK.

In 2021 the total UK licence fees were £70,896 of which £40,510 of licence fees were earned for education and rehabilitation work with children and their families by our partners in the carpet-producing areas of India and Nepal. This was an increase of 47% over 2020, mainly because of the gradual move out of lockdown in 2021. GoodWeave signed four new carpet licensees in the UK in 2021, but this was offset by the termination of four small licensees.

To date, GWI and its associates have rescued more than 8950 children, supported education for 44,000 children, and now works with more than 140 importers worldwide to monitor their supply chains. 99,000 adults worked on sites licensed and inspected by GoodWeave International in India, and Nepal in 2021 and more than 10,000 inspections were carried out.

Activities in 2021 continued to be affected by the Covid 19 pandemic. Almost all licensees stopped activity in Q2 2020 and only slowly reopened in 2021. Inspections in India and Nepal restarted in Q3 2020 but in 2021 these were still only possible by internet/telephone and other remote working methods. This meant that it was not possible to fully inspect licensees and full annual inspections could not be carried out. There was also a significant delay in accrediting new licensees. It is hoped that the full inspection system will be in operation by the second quarter of 2022.

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**DIRECTORS' REPORT (continued)**

In 2020/2021 GWI raised more than £275,000 for COVID relief, the majority of which was spent on critical food relief for vulnerable workers and families in India, Nepal and Bangladesh. Food reached 114,000 people and we also distributed PPE to licensee supply chains, helped informal, migrant workers secure bank accounts in order to receive government aid, established e-learning opportunities for children in our Child Friendly Communities in India and underwrote COVID-protocols at our home for rescued children in Nepal, including paying for testing and PPE and establishing separate space for newly rescued children.

**Financial Review**

The Directors of GoodWeave UK report a net surplus of £2,295 for the period under review. At the year-end there was a total reserve of £11,585; made up of £10,944 of unrestricted funds and £641 of restricted funds.

Details of the major items on the balance sheet can be found in the notes to the accounts. The fluctuations in debtors and creditors year on year are simply the result of the timing of receipts and payments around the year end.

**Reserves and Risk Management**

The trustees have agreed that GoodWeave UK can continue its operations and carry out its charitable activities with minimal reserves and as a result the reserves will be kept at a basic level during 2022. The trustees intend to allocate some of the existing unrestricted reserves as soon as GWI operations return to normal. The trustees are confident that, because of the current methods of operation, this policy does not create any significant risk for the charity or its beneficiaries.

The trustees regularly examine the major risks that the charity faces and seeks to control these risks to mitigate any impact they may have on the charity. These figures are for 2021 and were still affected by the impact of Covid 19 on the UK and international economy. All large outstanding licence fees for 2021 have been paid and most licensees restarted operations in 2021. In practice the fees are simply passed through the GWUK accounts and so any loss to GWUK debtors will be offset by the same reduction in creditors.

**Public Benefit Statement**

Directors of a charity have a duty to report in their annual report on their charity's public benefit. The Directors have concluded that the section above on "Activities and Achievements" demonstrates that GoodWeave UK's work benefits a wide range of people and organisations in both the UK and South Asia and as a result:

- the aims of the charity continue to be charitable;
- the benefits are for the public, are not unreasonably restricted in any way and certainly not by ability to pay and;
- there is no detriment or harm arising from the aims or activities.

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**DIRECTORS' REPORT (continued)**

**Fundraising Statement**

The trustees have taken note of Sections 13 and 14 of the Charities (Protection and Social Investment) Act of 2016. GoodWeave UK does not use professional fundraisers. Fundraising activity with the general public is limited to a donation button on the website and links to this from social information platforms. No complaints about such activity were received by the charity during 2021.

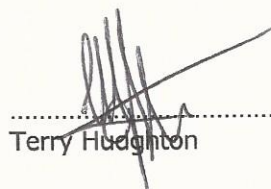
**Independent Examiner**

John McCullagh carried out the Independent Examination of the Company. In accordance with Section 485 of the Companies Act 2006, a resolution proposing the re-appointment of Mr John McCullagh as independent examiner will be put to first Board Meeting following the annual general meeting.

Approved by the Board on the 11<sup>th</sup> April 2022 and signed on its behalf by:



.....  
David Ould



.....  
Terry Houghton



## **INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS OF GOODWEAVE UK LTD**

I report on the financial statements of GoodWeave UK Limited for the year ended 31<sup>st</sup> December 2021 set out on pages 9 - 11 and notes to the accounts on pages 12 to 15. These financial statements have been prepared in accordance with the Charities SORP (FRS 102) under the historical cost convention and the accounting policies set out therein.

This report is made solely to the charity's trustees, as a body, in accordance with Section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for my audit work, for this report, or for the opinions I have formed.

### **Respective responsibilities of directors and independent examiner**

As described on page 4 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom accounting standards.

My responsibility is to examine the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Standards.

I report to you my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with Companies Act 2006. I also report to you if, in my opinion, the Report of the Directors is not consistent with the financial statements, if the company has not kept proper accounting records, if I have not received all the information and explanations I require for the audit, or if information specified by law regarding directors' remunerations with the company is not disclosed. I read the Report of the Directors and consider the implications for my report, if I become aware of any apparent misstatement within it.

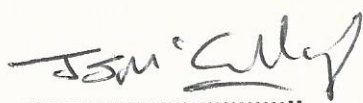
### **Basis of Opinion**

My work was conducted in accordance with the general directions given by the Charity Commission. An examination includes a review, on a test basis, of evidence relevant to the amount and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

I planned and performed the examination so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from misstatement, whether caused by fraud or other irregularity or error. In forming my opinion, I also evaluated adequately the presentation of information in the financial statements.

### **Opinion**

In my opinion the financial statements give a true and fair view of the company's affairs as at 31<sup>st</sup> December 2021 and of the deficit of incoming resources over resources expended for the year then ended and have been properly prepared in accordance with the Company's Act 2006 and principles of the Charities SORP (FRS 102).



.....  
John McCullagh

Date: 29 April 2022

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**Statement of Financial Activities**  
**(Including Income & Expenditure Account)**  
**For the year ended 31<sup>st</sup> December 2021**

	Notes	Unrestricted Funds £	2021 Restricted Funds £	Total Funds £	2020 Total Funds £
<b><u>Income and Endowments from Charitable Activities</u></b>					
Grants	3	-	-	-	-
Donations	4	2428	808	3,236	3,753
Licence Fees	2	-	70,896	70,896	48,324
Sundry Income	5	-	863	863	799
Gift Aid		400	-	400	655
Bank Interest		-	-	-	-
<b>Total Incoming Resources</b>		<b>2,828</b>	<b>72,567</b>	<b>75,395</b>	<b>53,531</b>
<b><u>Expenditure on Charitable Activities</u></b>					
Direct Objectives	6	-	72,238	72,238	49,123
Grants	6	-	808	808	5,943
Management & Admin.	6	54	-	54	62
<b>Total Resources Expended</b>		<b>54</b>	<b>73,046</b>	<b>73,100</b>	<b>55,128</b>
<b>Net income (expenditure)</b>		<b>2,774</b>	<b>(479)</b>	<b>2,295</b>	<b>(1,597)</b>
Balance at 1 Jan 2021		8,170	1,120	9,290	10,887
Balance at 31 Dec 2021		<b>10,944</b>	<b>641</b>	<b>11,585</b>	<b>9,290</b>

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**Balance Sheet as at 31st December 2021**

	<b>Notes</b>	<b>2021</b> <b>£</b>	<b>2020</b> <b>£</b>
<b>CURRENT ASSETS</b>			
Debtors and Prepayments	8	36,580	40,706
Cash at Bank and in hand		34,328	17,617
		<b>70,908</b>	<b>58,323</b>
<b>LIABILITIES</b>			
Amounts falling due within one year	7	(59,323)	(49,033)
Net Current Assets		<b>11,585</b>	<b>9,290</b>
<b>FUNDS</b>			
Unrestricted Funds General		10,944	8,170
Restricted Funds		641	1,120
		<b>11,585</b>	<b>9,290</b>

The directors 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 financial statements 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.

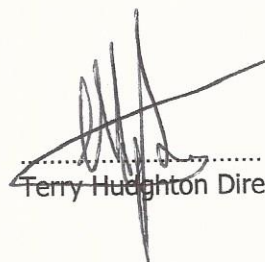
The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements

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

The Board of Directors approved these accounts on 11<sup>th</sup> April 2022.



.....  
David Ould Director



.....  
Terry Houghton Director

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**Statement of Cash Flow at 31st December 2021**

	<b>Total Funds</b>	<b>Prior Year Funds</b>	<b>Note</b>
	<b>£</b>	<b>£</b>	
Cash Flows from Operating Activities	16,711	2,898	Table 9
Interest	-	3	
<b>Change in cash in 2021</b>			
Cash at 1 January	17,617	14,716	
Cash at 31 December	34,328	17,617	

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**NOTES TO THE ACCOUNTS**  
**For the Year Ended 31<sup>st</sup> December 2021**

**1) Accounting policies**

**a) Basis of preparation**

- i) The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2008) and the Companies Act 2006.
- ii) These accounts are the accounts of GoodWeave UK
- iii) These accounts have been prepared on an accruals basis and include income and expenditure as they are earned or incurred, rather than as cash is received or paid.
- iv) The recommendations of the 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) (effective 1 January 2015), have been followed in the preparation of these accounts. GoodWeave UK is a Public Benefit Entity as defined by FRS 102.

**b) Going concern**

At the time of approving the accounts, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustees' continue to adopt the going concern basis of accounting in preparing the accounts.

**b) Fund accounting**

- i) The company's unrestricted fund consists of funds, which the company may use for its purposes at its discretion.
- ii) The company's restricted funds are those where the licensee/donor has imposed restrictions on the use of the funds, which are legally binding.

**c) Voluntary income**

- i) All voluntary income is included upon receipt.
- ii) Grants receivable are credited to income immediately upon receipt.

**d) Investment income**

Credit is taken for interest when the interest falls due for payment.

**e) Administration expenditure**

Administration expenditure comprises costs incurred in running the charity. Where applicable, these costs have been treated as direct charitable expenditure.

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**NOTES TO THE ACCOUNTS (continued)**  
**For the Year Ended 31<sup>st</sup> December 2021**

**2. Licence Fees:**

Importers must pay a fee to be able to use the trademarked GoodWeave label and logo. 57% of the fee is sent to the GoodWeave office in the relevant producer country to fund random inspections, and welfare, education and rehabilitation activities. 43% contributes to promotion of the GoodWeave mark and aims in the UK

Licensed importers must report on their imports and pay the licence fee within 30 days of each quarter day (March 31<sup>st</sup>, June 30<sup>th</sup>, September 30<sup>th</sup>, December 31<sup>st</sup>). Accounting is made for the quarter in which the licence fee is, or should have been, received for imports in the previous quarter.

Estimates of outstanding payments have been included in these accounts because they are a significant part of total assets and of the reserves. In 2021 GWUK had to write off £600 of licensee debts because the companies concerned had ceased GoodWeave related activity. This had no impact on the profit and loss as it reduced our GWI creditor by the same amount.

Licence fee payments owed to GWUK at year end = £35,589

**3. Grants Received:**

**4. Donations Received:**

Donations received included:

Wyndham Charitable Trust = £1,000

**5. Marketing Partner/Sponsor Payments Receivable:**

Income from marketing partner/sponsor = £1,342 (£591 receivable at the year-end)

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**NOTES TO THE ACCOUNTS (continued)**  
**For the Year Ended 31<sup>st</sup> December 2021**

**6. Direct Objectives**

<b>Item of Expenditure</b>	<b>Unrestricted (£)</b>	<b>Restricted (£)</b>	<b>Total (£)</b>
GoodWeave International Project Grant to GWI*	-	-	-
<b>Total Grants</b>	-	-	-
Transfer of licence fees to GoodWeave India/Nepal	-	40,510	40,510
Marketing and Licensing	-	31,728	31,728
Support to GWI	-	808	808
Management & Administration	54	-	54
<b>Total</b>	<b>54</b>	<b>73,046</b>	<b>73,100</b>

\*Note: no support costs were incurred in making the grants apart from bank charges for the transfers.

**7. Liabilities**

	<b>2021 (£)</b>	<b>2020 (£)</b>
Licence payments to Nepal/India	32,651	23,554
Marketing Payments to GWI	25,083	18,256
Previous Year Correction/BF	-	(479)
VAT Payment	1,589	7,702
<b>Total</b>	<b>59,323</b>	<b>49,033</b>

\*Note: Liabilities corrected by £479 in 2021 to reflect overpayment to GWI in previous years.

**8. Debtors**

<b>Item</b>	<b>2021 (£)</b>	<b>2020 (£)</b>
Licence fees	35,589	40,117
Private Label Fees	591	589
Gift Aid	400	-
	<b>36,580</b>	<b>40,706</b>

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**NOTES TO THE ACCOUNTS (continued)**  
**For the Year Ended 31<sup>st</sup> December 2021**

**9. Reconciliation of Net Income/(Expenditure) to Operating Activity Net Cash Flow**

	<b>2021 (£)</b>	<b>2020 (£)</b>
Net Income/(Expenditure) for 2020 as per the SOFA	2,295	(1,597)
Adjustments for:		
Interest	-	(3)
(Increase)/Decrease in Debtors	4,126	2,305
Increase/(Decrease) in Creditors	10,290	2,193
<b>Net Cash Used in Operating Activities</b>	<b>16,711</b>	<b>2,898</b>

**10. Share Capital:**

The company is limited by guarantee and does not have share capital.

**11. Remuneration of Directors:**

No directors received any remuneration or repayment of expenses in the year.

**12. Small Company Exemptions:**

"These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008). For the financial year ended 31 December 2013 the company was entitled to exemption from audit under section 477 Companies Act 2006; and no notice has been deposited under section 476.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 and for preparing financial statements 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 profit or loss for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company."

**GOODWEAVE UK**

England & Wales - Charity number 1139218

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# Accounts

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**GOODWEAVE UK**  
**(A company limited by guarantee)**

**REPORT & FINANCIAL STATEMENTS**  
**For the Year Ended 31<sup>st</sup> December 2020**

**Charity Registration No: 1139218**  
**Company Registration No: 4210546 (England & Wales)**

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2020**

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Statement of Financial Activities	9
Balance Sheet	10
Statement of Cash Flows	11
Notes forming part of the Financial Statements	12-15

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

The trustees of the charity present their report and financial statements for the year ended 31<sup>st</sup> December 2020.

The accounts have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the company's Memorandum and Articles of Association, the Companies Act 2006 and the 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) (effective 1 January 2015).

**REFERENCE AND ADMINISTRATIVE INFORMATION**

**LEGAL STATUS**

Private company limited by guarantee exempt under Section 30.

**REGISTERED OFFICE**

7 Manor Road  
Teddington  
Middlesex  
TW11 8BH

**OPERATIONAL ADDRESS**

Bloxham Mill Business Centre,  
Barford Road,  
Bloxham,  
Oxon OX15 4FF

**DIRECTORS**

David Ould (Chair)  
Amanda Berlan  
Jonathan Blagbrough  
Terry Hudghton

**COMPANY SECRETARY**

David Ould

**INDEPENDENT EXAMINER**

John McCullagh  
39 The Farthings  
Kingston Upon Thames  
KT2 7PT

**SOLICITORS**

Lovells  
65 Holborn Viaduct  
London EC1A 2FG

**BANKERS**

The Co-operative Bank plc  
PO Box 101  
1 Balloon Street  
Manchester  
M60 4EP

# **GOODWEAVE UK**

## **(A Company Limited by Guarantee)**

### **DIRECTORS' REPORT**

#### **GOVERNANCE**

#### **Governing Document**

The organisation is a charity, registered on 29<sup>th</sup> November 2010, and non-profit making company limited by guarantee, incorporated on 3<sup>rd</sup> May 2001. The company was established under a Memorandum of Association, which established the objects and powers of the company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

#### **Objectives**

The GoodWeave initiative has two objects:

- To relieve poverty suffering and distress in any part of the world; and
- To promote research into and education concerning the causes and effects of poverty particularly (without prejudice to that generality) in relation to the conduct of business and to the conditions of employment (including self-employment) of poor people in any part of the world, and to publish the useful results of that research.

In furtherance of these objects the organisation acts as the UK regional office of GoodWeave International, whose aims are:

- i) to eradicate illegal child labour in the carpet industry and such other products as certified by the GoodWeave label;
- ii) to provide children with concrete opportunities for education, vocational training, and other means for preparing to meet the future with hope;
- iii) to stimulate the employment of adults, so parents can support their families adequately;
- iv) to facilitate development programmes to improve the terms and conditions of employment for adult workers in the carpet and other industries with similar employment issues, consistent with internationally recognised labour standards. so that the industry can become a model for providing a living wage for skilled artisans and their families and for producing carpets using environmentally sound practices.

GoodWeave UK has exclusive licensing rights from GoodWeave International (the holder of the trademark) to the GoodWeave label in the United Kingdom and agrees to grant importers a licence to use the GoodWeave label to market carpets, rugs and other products manufactured according to the GoodWeave concept on the terms and conditions set out in the Licence Agreement.

#### **Statement of Directors' Responsibilities**

Company Law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure for the financial year. In preparing those financial statements, the directors are required to follow best practice and:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);

## **GOODWEAVE UK (A Company Limited by Guarantee)**

### **DIRECTORS' REPORT (continued)**

- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which 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 charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

### **Members of the Management Committee**

Members of the Management Committee, who are Directors for the purpose of company law, who served during the financial year and up to the date of this report are set out on page 3. The Directors are selected by the Board in the light of their knowledge and experience of the issues on which GoodWeave UK works.

In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's independent examiner is unaware; and
- as the directors of the company we have taken all steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the company's independent examiner is aware of that information.

### **The Charities Activities and Achievements**

In 2020 marketing for GoodWeave UK continued to be managed by GWI, employing a part-time UK-based consultant to handle regular contacts with the licensees in the UK.

In 2020 the total UK licence fees were £48,324 of which £27,612 of licence fees were earned for education and rehabilitation work with children and their families by our partners in the carpet-producing areas of India and Nepal. This was a decrease of 23% over 2019, mainly as a result of the pandemic. GoodWeave signed five new, small carpet licensees in the UK in 2020, but this was offset by the termination of three small licensees. One home textile licensee was also signed.

To date, GWI and its associates have rescued more than 7,900 children, supported education for 37,000 children, and now works with more than 140 importers worldwide to monitor their supply chains. 88,000 adults worked on sites licensed and inspected by GoodWeave International in India, and Nepal in 2020 and more than 10,000 inspections were carried out.

Activities in 2020 were significantly affected by the Covid 19 pandemic. Almost all licensees stopped activity in Q2 2020 and only slowly opened up in Q3 and Q4. Inspections in India and Nepal restarted in Q3 2020 but generally these were only possible by internet/telephone and other remote working methods. This meant that only the larger facilities could be inspected and related operations at smaller sub-contractors had to be taken on trust. It is expected that the full inspection system will be in operation by Q2 2021.

## **GOODWEAVE UK (A Company Limited by Guarantee)**

### **DIRECTORS' REPORT (continued)**

In 2020 GWI raised more than £225,000 for COVID relief, the majority of which was spent on critical food relief for vulnerable workers and families. Food reached 70,000 people and we also distributed PPE to licensee supply chains, helped informal, migrant workers secure bank accounts in order to receive government aid, established e-learning opportunities for children in our Child Friendly Communities in India and underwrote COVID-protocols at our home for rescued children in Nepal, including paying for testing and PPE and establishing separate space for newly rescued children.

GWI operations in Afghanistan ended in 2020 because of the serious security problems involved in carrying out the work in that country at present.

### **Financial Review**

The Directors of GoodWeave UK report a net deficit of £1,597 for the period under review. At the year-end there was a total reserve of £9,290; made up of £8,170 of unrestricted funds and £1,120 of restricted funds. The deficit for the year occurred because the Board made a grant of £5,000 from the unrestricted reserves towards the fund set up by GoodWeave International to support carpet workers and children in Nepal and India affected by the industry shutdowns during the Covid 19 pandemic.

Details of the major items on the balance sheet can be found in the notes to the accounts. The fluctuations in debtors and creditors year on year are simply the result of the timing of receipts and payments around the year end.

### **Reserves and Risk Management**

The trustees have agreed that GoodWeave UK can continue its operations and carry out its charitable activities with minimal reserves and as a result the reserves were kept at a basic level during 2020. The trustees are confident that, because of the current methods of operation, this policy does not create any significant risk for the charity or its beneficiaries.

The trustees regularly examine the major risks that the charity faces and seeks to control these risks to mitigate any impact they may have on the charity. These figures are for 2020 and were affected by the impact of Covid 19 on the UK and international economy. All large outstanding licence fees for 2019 were paid and most licensees have restarted operations in 2020. In practice the fees are simply passed through the GWUK accounts and so any loss to GWUK debtors will be offset by the same reduction in creditors.

### **Public Benefit Statement**

Directors of a charity have a duty to report in their annual report on their charity's public benefit. The Directors have concluded that the section above on "Activities and Achievements" demonstrates that GoodWeave UK's work benefits a wide range of people and organisations in both the UK and South Asia and as a result:

- the aims of the charity continue to be charitable;
- the benefits are for the public, are not unreasonably restricted in any way and certainly not by ability to pay and;
- there is no detriment or harm arising from the aims or activities.

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**DIRECTORS' REPORT (continued)**

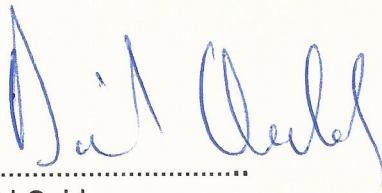
**Fundraising Statement**

The trustees have taken note of Sections 13 and 14 of the Charities (Protection and Social Investment) Act of 2016. GoodWeave UK does not use professional fundraisers. Fundraising activity with the general public is limited to a donation button on the website and links to this from social information platforms. No complaints about such activity were received by the charity during 2020.

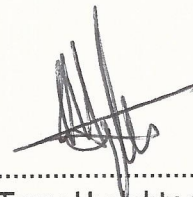
**Independent Examiner**

John McCullagh carried out the Independent Examination of the Company. In accordance with Section 485 of the Companies Act 2006, a resolution proposing the re-appointment of Mr John McCullagh as independent examiner will be put to first Board Meeting following the annual general meeting.

Approved by the Board on the 16<sup>th</sup> March 2021 and signed on its behalf by:



.....  
David Ould



.....  
Terry Hudgton



## **INDEPENDENT EXAMINER'S REPORT TO THE DIRECTORS OF GOODWEAVE UK LTD**

I report on the financial statements of GoodWeave UK Limited for the year ended 31<sup>st</sup> December 2020 set out on pages 9 - 11 and notes to the accounts on pages 12 to 15. These financial statements have been prepared in accordance with the Charities SORP (FRS 102) under the historical cost convention and the accounting policies set out therein.

This report is made solely to the charity's trustees, as a body, in accordance with Section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for my audit work, for this report, or for the opinions I have formed.

### **Respective responsibilities of directors and independent examiner**

As described on page 4 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom accounting standards.

My responsibility is to examine the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Standards.

I report to you my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with Companies Act 2006. I also report to you if, in my opinion, the Report of the Directors is not consistent with the financial statements, if the company has not kept proper accounting records, if I have not received all the information and explanations I require for the audit, or if information specified by law regarding directors' remunerations with the company is not disclosed. I read the Report of the Directors and consider the implications for my report, if I become aware of any apparent misstatement within it.

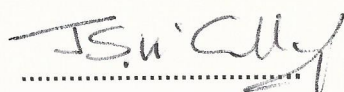
### **Basis of Opinion**

My work was conducted in accordance with the general directions given by the Charity Commission. An examination includes a review, on a test basis, of evidence relevant to the amount and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

I planned and performed the examination so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from misstatement, whether caused by fraud or other irregularity or error. In forming my opinion, I also evaluated adequately the presentation of information in the financial statements.

### **Opinion**

In my opinion the financial statements give a true and fair view of the company's affairs as at 31<sup>st</sup> December 2020 and of the deficit of incoming resources over resources expended for the year then ended and have been properly prepared in accordance with the Company's Act 2006 and principles of the Charities SORP (FRS 102).

  
.....  
John McCullagh

Date: 13 April 2021

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**Statement of Financial Activities**  
**(Including Income & Expenditure Account)**  
**For the year ended 31<sup>st</sup> December 2020**

	Notes	Unrestricted Funds £	2020 Restricted Funds £	Total Funds £	2019 Total Funds £
<b><u>Income and Endowments from Charitable Activities</u></b>					
Grants	3	-	-	-	10,000
Donations	4	3,065	688	3,753	4,015
Licence Fees	2	-	48,324	48,324	62,671
Consultancy		-	-	-	-
Sundry Income	5	-	799	799	-
Gift Aid		400	255	655	550
Bank Interest		-	-	-	4
<b>Total Incoming Resources</b>		<b>3,465</b>	<b>50,066</b>	<b>53,531</b>	<b>77,240</b>
<b><u>Expenditure on Charitable Activities</u></b>					
Direct Objectives	6	-	49,123	49,123	63,464
Grants	6	5,000	943	5,943	10,000
Management & Admin.	6	62	-	62	78
<b>Total Resources Expended</b>		<b>5,062</b>	<b>50,066</b>	<b>55,128</b>	<b>73,542</b>
<b>Net income (expenditure)</b>		<b>(1,597)</b>	<b>-</b>	<b>(1,597)</b>	<b>3,698</b>
Balance at 1 Jan 2020		9,767	1,120	10,887	7,189
Balance at 31 Dec 2020		<b>8,170</b>	<b>1,120</b>	<b>9,290</b>	<b>10,887</b>

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**Balance Sheet as at 31st December 2020**

	Notes	2020 £	2019 £
<b>CURRENT ASSETS</b>			
Debtors and Prepayments	8	40,706	43,011
Cash at Bank and in hand		17,617	14,716
		<b>58,323</b>	<b>57,727</b>
<b>LIABILITIES</b>			
Amounts falling due within one year	7	(49,033)	(46,840)
Net Current Assets		<b>9,290</b>	<b>10,887</b>
<b>FUNDS</b>			
Unrestricted Funds General		8,170	9,767
Restricted Funds		1,120	1,120
		<b>9,290</b>	<b>10,887</b>

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

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

The Board of Directors approved these accounts on 16<sup>th</sup> March 2021.

.....  
 David Ould Director

.....  
 Terry Hudghton Director

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**Statement of Cash Flow at 31st December 2020**

	<b>Total Funds</b>	<b>Prior Year Funds</b>	<b>Note</b>
	<b>£</b>	<b>£</b>	
Cash Flows from Operating Activities	2,898	(33,784)	Table 9
Interest	3	4	
<b>Change in cash in 2020</b>			
Cash at 1 January	14,716	48,496	
Cash at 31 December	17,617	14,716	

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**NOTES TO THE ACCOUNTS**  
**For the Year Ended 31<sup>st</sup> December 2020**

**1) Accounting policies**

**a) Basis of preparation**

- i) The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2008) and the Companies Act 2006.
- ii) These accounts are the accounts of GoodWeave UK
- iii) These accounts have been prepared on an accruals basis and include income and expenditure as they are earned or incurred, rather than as cash is received or paid.
- iv) The recommendations of the 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) (effective 1 January 2015), have been followed in the preparation of these accounts. GoodWeave UK is a Public Benefit Entity as defined by FRS 102.

**b) Going concern**

At the time of approving the accounts, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustees' continue to adopt the going concern basis of accounting in preparing the accounts.

**b) Fund accounting**

- i) The company's unrestricted fund consists of funds, which the company may use for its purposes at its discretion.
- ii) The company's restricted funds are those where the licensee/donor has imposed restrictions on the use of the funds, which are legally binding.

**c) Voluntary income**

- i) All voluntary income is included upon receipt.
- ii) Grants receivable are credited to income immediately upon receipt.

**d) Investment income**

Credit is taken for interest when the interest falls due for payment.

**e) Administration expenditure**

Administration expenditure comprises costs incurred in running the charity. Where applicable, these costs have been treated as direct charitable expenditure.

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**NOTES TO THE ACCOUNTS (continued)**  
**For the Year Ended 31<sup>st</sup> December 2020**

**2. Licence Fees:**

Importers must pay a fee to be able to use the trademarked GoodWeave label and logo. 57% of the fee is sent to the GoodWeave office in the relevant producer country to fund random inspections, and welfare, education and rehabilitation activities. 43% contributes to promotion of the GoodWeave mark and aims in the UK

Licensed importers must report on their imports and pay the licence fee within 30 days of each quarter day (March 31<sup>st</sup>, June 30<sup>th</sup>, September 30<sup>th</sup>, December 31<sup>st</sup>). Accounting is made for the quarter in which the licence fee is, or should have been, received for imports in the previous quarter.

Estimates of outstanding payments have been included in these accounts because they are a significant part of total assets and of the reserves. In 2020 GWUK had to write off £1,475 of licensee debts because the companies concerned had ceased GoodWeave related activity. This had no impact on the profit and loss as it reduced our GWI creditor by the same amount.

Licence fee payments owed to GWUK at year end = £40,117

**3. Grants Received:**

**4. Donations Received:**

Donations received included:

Wyndham Charitable Trust = £1,000

**5. Marketing Partner/Sponsor Payments Receivable:**

Income from marketing partner/sponsor = £799 (£589 receivable at the year-end)

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**NOTES TO THE ACCOUNTS (continued)**  
**For the Year Ended 31<sup>st</sup> December 2020**

**6. Direct Objectives**

<b>Item of Expenditure</b>	<b>Unrestricted (£)</b>	<b>Restricted (£)</b>	<b>Total (£)</b>
GoodWeave International Project Grant to GWI*	5,000	-	5,000
<b>Total Grants</b>	<b>5,000</b>	<b>-</b>	<b>5,000</b>
Transfer of licence fees to GoodWeave India/Nepal	-	27,612	27,612
Marketing and Licensing	-	21,511	21,511
Support to GWI	-	943	943
Management & Administration	62	-	62
<b>Total</b>	<b>62</b>	<b>50,066</b>	<b>50,128</b>

\*Note: no support costs were incurred in making the grants apart from bank charges for the transfers.

**7. Liabilities**

	<b>2020 (£)</b>	<b>2019 (£)</b>
Licence payments to Nepal/India	23,554	25,290
Marketing Payments to GWI	18,256	18,969
Previous Year Correction/BF	(479)	(479)
VAT Payment	7,702	3,060
<b>Total</b>	<b>49,033</b>	<b>46,840</b>

**8. Debtors**

<b>Item</b>	<b>2020 (£)</b>	<b>2019 (£)</b>
Licence fees	40,117	43,011
Private Label Fees	589	-
	<b>40,706</b>	<b>43,011</b>

**GOODWEAVE UK**  
**(A Company Limited by Guarantee)**

**NOTES TO THE ACCOUNTS (continued)**  
**For the Year Ended 31<sup>st</sup> December 2020**

**9. Reconciliation of Net Income/(Expenditure) to Operating Activity Net Cash Flow**

	<b>2020 (£)</b>	<b>2019 (£)</b>
Net Income/(Expenditure) for 2020 as per the SOFA	(1,597)	3,698
Adjustments for:		
Interest	(3)	(4)
(Increase)/Decrease in Debtors	2,305	(8,923)
Increase/(Decrease) in Creditors	2,193	(28,555)
Net Cash Used in Operating Activities	<b>2,898</b>	<b>(33,784)</b>

**10. Share Capital:**

The company is limited by guarantee and does not have share capital.

**11. Remuneration of Directors:**

No directors received any remuneration or repayment of expenses in the year.

**12. Small Company Exemptions:**

"These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008). For the financial year ended 31 December 2013 the company was entitled to exemption from audit under section 477 Companies Act 2006; and no notice has been deposited under section 476.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 and for preparing financial statements 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 profit or loss for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company."