

THE CENTRE FOR ENTERPRISE, MARKETS AND ETHICS

Accounts: 31st December 2021

The Centre for Enterprise, Markets and Ethics

Report of the Trustees and accounts for the year ending 31st December 2021

Company number: 08137333

Registered charity number: 1148345

The Centre for Enterprise, Markets and Ethics

Report of the Trustees and accounts for the year ending 31st December 2021

Principal office and Advisers

Registered office:

1st Floor
31 Beaumont Street
Oxford OX1 2NP

Solicitors:

Hunters
9 New Square
Lincoln's Inn
London WC2 3QN

Bankers:

HSBC
65 Cornmarket Street
Oxford OX1 3HY

Investment Managers:

CCLA Investment Management
Senator House
85 Queen Victoria Street
London EC4V 4ET

Accountants and independent examiners:

A.J. Carter & Co
22b High Street
Witney
Oxfordshire OX28 6RB

The Centre for Enterprise, Markets and Ethics

Report of the Trustees and accounts for the year ending 31st December 2021

The Trustees have pleasure in presenting their report and accounts for the Centre for Enterprise, Markets and Ethics ("the Centre") for the year ending 31st December 2021.

The Financial Statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charities governing document, the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice (second edition) and Financial Reporting Standard FRS102.

Constitution and governance

The Centre was incorporated as a company limited by guarantee on 10th July 2012 and registered as a charity with the Charity Commission on 30th July 2012. The governance of the company is determined by its Memorandum and Articles of Association. The Centre is governed by a body of Trustees, who are also the Directors of the company.

Lord Griffiths of Fforestfach

Dato Dr Kim Tan

Philip Wood

Carl Ferenbach

Anne Devlin

Joanna Moriarty

Richard Godden

The Board meets in person or by phone at least four times a year. The Trustees are responsible for any recommended appointments to the Board, taking account of the skills needed, and for ensuring all trustees are trained and equipped to undertake their role. The day-to-day management of the Centre is delegated to the Director, Revd Dr Richard Turnbull. Financial matters are conducted under standing financial instructions which set limits on the approval of payments by staff and specifying matters to be approved by one or more trustees. The Board undertakes an annual review of the risks faced by the Charity.

Company secretary: Revd Dr Richard Turnbull

Objectives

The objectives of the charity as set out in the governing document are as follows:

- (1) The advancement of education to establish the merit and value of fostering the growth of an enterprise culture in business and society with a moral foundation, in particular but not exclusively by original research and study into areas of economics and business primarily through the application of the principles of Christian faith and theology.

The Centre for Enterprise, Markets and Ethics

Report of the Trustees and accounts for the year ending 31st December 2021 (cont)

- (2) The relief of poverty and suffering in developed and developing countries through the promotion, understanding and development of investment in enterprise (whether social or otherwise).

Public benefit

The Centre's public benefit- aimed at the general public and mankind generally – is achieved through education and training, the promotion of the relief of poverty and religious activities. This is achieved through advocacy, advice, information, the sponsorship of research and by acting in partnership with other bodies with similar objectives.

Review of activities, financial results and future developments

The main focus of the Centre for the year has been to further its objectives through:

- (a) Arranging a series of events and seminars
- (b) Furthering the execution of a research programme
- (c) Developing relationships with other organisations with similar interests
- (d) Continuing the development of a publications' series
- (e) Developing and planning a project around the Ethics and Theology of Business

The Centre has undertaken a number of activities during the period. Events have been held primarily online due to Covid-19. These have dealt with ethical and topical matters relating to the enterprise economy. The Centre continues to develop a research and publications programme dealing with theological, historical and contemporary approaches to enterprise, including how these might contribute to the relief of poverty. In pursuing their activities the Trustees have had regard for the guidance of the Charity Commission on public benefit. The Trustees have launched a project entitled the Ethics and Theology of Business which is expected to last for 3 years. The Trustees have allocated some discretionary donations into the designated fund and have also transferred £50,000 from reserves. The Centre also manages a project entitled Soulful Enterprise on behalf of the Templeton Religion Trust which is managed through a restricted fund.

The Trustees consider the performance for the period to be satisfactory. The Centre's work has been well received amongst donors, those that benefit from the work and the wider business and related communities. The principal source of funds is private donation. The surplus for the period across all funds was £3,003 (2020: £161,139). Reserves are held in a variety of short-term and long-term deposit funds. The Board's reserve policy is to hold approximately 24 months funding in general reserves. The Board considers regularly the level and designation of reserves. The Trustees intend to develop and build upon these activities in the year ahead.

The Centre for Enterprise, Markets and Ethics

Report of the Trustees and accounts for the year ending 31st December 2021 (cont)

This report has been prepared in accordance with the special provisions relating to companies subject to the Small Companies Regime within part 15 of the Companies Act 2006.

On behalf of the Board

Lord Griffiths of Fforestfach

Director

6th April 2022

The Centre for Enterprise, Markets and Ethics

Independent Examiner's Report to the Trustees

I report to the trustees on my examination of the accounts of The Centre for Enterprise, Markets and Ethics for the year ended 31st December 2021.

Responsibilities and Basis of Report

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

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

Independent Examiner's Statement

Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants.

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

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

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

Anthony Williams BSc, FCCA
A J Carter & Co
Chartered Accountants

22b High Street
Witney
Oxon
OX28 6RB
6th April 2022

The Centre for Enterprise, Markets and Ethics

Statement of Financial Activities for the year ending 31st December 2021 (incorporating the Income and Expenditure Account for the period)

Notes

	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £	Total 2020 £
Incoming Resources				
<i>Incoming resources from generated funds</i>				
Voluntary income (donation/grant)	258,369	124,625	382,994	426,755
Investment income	3,000	-	3,000	3,439
<i>Other incoming resources</i>	24,348	-	24,348	6,045
	-----	-----	-----	-----
Total income resources	285,717	124,625	410,342	436,239
	-----	-----	-----	-----
Resources Expended				
<i>Costs of generating funds</i>				
Costs of generating voluntary income	1,500	-	1,500	1,500
4 Charitable activities	303,420	102,419	405,839	273,600
	-----	-----	-----	-----
Total resources expended	304,920	102,419	407,339	275,100
	-----	-----	-----	-----
Net income/net movement in funds	(19,203)	22,206	3,003	161,139
Funds brought forward	545,651	42,173	587,824	426,685
	-----	-----	-----	-----
Funds carried forward	£526,448	£64,379	£590,827	£587,824
	=====	=====	=====	=====

The Company has no recognised gains and losses apart from the Income and Expenditure Account and, therefore, no separate statement of total recognised gains and losses has been prepared. The Statement of Financial Activities for the previous year is given at note 10.

The notes on pages 9 to 13 form part of these accounts.

The Centre for Enterprise, Markets and Ethics

Balance Sheet as at 31st December 2021

Notes

	2021	2020
	£	£
<i>Fixed assets</i>		
Investments – cash equivalents on deposit	54,140	53,235
	-----	-----
<i>Current Assets</i>		
5 Debtors	8,787	9,687
Current asset investments – cash equivalents on deposit	314,781	312,717
Cash at bank and in hand	242,740	239,089
	-----	-----
	566,308	561,493
	-----	-----
<i>Liabilities</i>		
6 Creditors: amounts falling due within one year	29,621	26,904
	-----	-----
Net current assets	536,687	534,589
	-----	-----
8 Net Assets	£590,827	£587,824
	=====	=====
7 The funds of the charity		
<i>Unrestricted income funds</i>	526,448	545,651
<i>Restricted funds</i>	64,379	42,173
	-----	-----
	£590,827	£587,824
	=====	=====

For the year ending 31st December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,

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

The accounts have been prepared in accordance with the special provisions relating to companies subject to the Small Companies Regime within part 15 of the Companies Act 2006. These accounts were approved by the Board of Directors and authorised for issue on 6th April 2022 and signed on their behalf by:

Lord Griffiths of Fforestfach – Director

Philip Wood – Director

6th April 2022

The notes on pages 9 to 13 form part of these accounts.

The Centre for Enterprise, Markets and Ethics

Notes to the accounts for the year ending 31st December 2021

1 Accounting policies

(a) Basis of preparation

The Financial Statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The Financial Statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102), the Charities Act 2011 and the Companies Act 2006.

(b) Income Recognition

Donation and grant income is recognised when received and Gift Aid due is recognised when the associated donation is received. Gifts received into the Friends of CEME account held by CAF America are paid to the Centre quarterly and recognised upon receipt by CEME. Income received in advance of a specific performance or provision of other specified service is deferred until the criteria for income recognition are met. Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the bank.

(c) Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred. The costs of generating funds include direct costs associated with the receipt of donations into the CAF America Friends account.

(d) Debtors

Debtors and prepayments are recognised at the settlement amounts due.

(e) Cash at Bank and in Hand

Cash at bank and cash in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Deposits with up to 12 months maturity are treated as current asset investments and over 12 months as fixed asset investments.

(f) Creditors and Provisions

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

(g) Pensions

The Charity operates a defined contribution scheme, the assets of which are held outside the Charity. The contributions by the Charity in the year are detailed in note 3.

The Centre for Enterprise, Markets and Ethics

Notes to the accounts for the year ending 31st December 2021 (cont)

2. Legal Status of the Charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.

3 Staffing costs

The average number of staff employed during the period was 2.6 (2020: 2.2). Staff costs were as follows:

	2021 £	2020 £
Salaries	139,890	118,072
Social Security costs	13,208	12,660
Other pension costs	23,688	23,208
	-----	-----
	£176,786	£153,940
	=====	=====

Employees earning more than £60,000 during the period:

	2021 No.	2020 No.
£80,000-£90,000	1	-
£70,000-£80,000	-	1

None of the Trustees have received any remuneration.

4 Charitable activities

	Unrestricted	Restricted	Total	Total
	2021	2021	2021	2020
	£	£	£	£
Salaries	176,786	-	176,786	153,940
Premises	23,504	-	23,504	21,969
Programme and research	92,266	102,419	194,685	88,347
Office, equipment and IT	5,620	-	5,620	6,512
Legal and accounting	2,105	-	2,105	1,875
Other governance costs	3,139	-	3,139	956
	-----	-----	-----	-----
	£303,420	£102,419	£405,839	£273,599
	=====	=====	=====	=====

The Centre for Enterprise, Markets and Ethics

Notes to the accounts for the year ending 31st December 2021 (cont)

The full comparative figures for charitable activities are given below:

	Unrestricted	Restricted	Total	Total	
	2020	2020	2020	2019	
	£	£	£	£	
Salaries	153,940	-	153,940	140,615	
Premises	21,969	-	21,969	23,387	
Programme and research	23,514	64,833	88,347	174,633	
Office, equipment and IT	6,512	-	6,512	7,858	
Legal and accounting	1,875	-	1,875	1,995	
Other governance costs	956	-	956	2,772	
	-----	-----	-----	-----	
	£208,776	£64,833	£273,599	£351,260	
	=====	=====	=====	=====	
5	Debtors		2021	2020	
			£	£	
			7,687	8,887	
			1,100	800	
			-----	-----	
			£8,787	£9,687	
			=====	=====	
6	Creditors: amounts falling due within one year		2021	2020	
			£	£	
			14,810	24,096	
			14,811	2,808	
			-----	-----	
			£29,621	£26,904	
			=====	=====	
7	Analysis of charitable funds				
	Analysis of movements in unrestricted funds				
	Balance	Incoming	Resources	Transfers	Balance
	1 Jan 2021	Resources	Expended		31 Dec 2021
	£	£	£	£	£
General	425,651	234,217	(211,673)	(50,000)	398,195
Designated (Project fund)	120,000	51,500	(93,247)	50,000	128,253
	-----	-----	-----	-----	-----
	£545,651	£285,717	£(304,920)	-	£526,448
	=====	=====	=====	=====	=====

The Centre for Enterprise, Markets and Ethics

Notes to the accounts for the year ending 31st December 2021 (cont)

Analysis of movements in restricted funds

	Balance 1 Jan 2021 £	Incoming Resources £	Resources Expended £	Transfers £	Balance 31 Dec 2021 £
Soulful Enterprise	42,173	124,625	(102,419)	-	64,379
	-----	-----	-----	-----	-----
	£42,173	£124,625	£(102,419)	-	£64,379
	=====	=====	=====	=====	=====

The General Fund comprises the free reserves of the charity.

The Project Fund has been designated by the Trustees to enable a 3-year commitment to fund a series of activities under the theme of the Ethics and Theology of Business. Some donations received into the general fund are designated by the Trustees for this work and in addition the charity intends to support the project from its reserves.

The Soulful Enterprise Fund (restricted) receives funds from the Templeton Religion Trust and other restricted donations for the support of the Soulful Enterprise project overseen by the charity.

8 Analysis of net assets between funds

	General £	Designated £	Restricted £	Total £
Fixed assets	54,140	-	-	54,140
Cash at bank and in hand	150,108	28,253	67,879	246,240
Net current assets	193,947	100,000	(3,500)	290,447
	-----	-----	-----	-----
	£398,195	£128,253	£64,379	£590,827
	=====	=====	=====	=====

9 Future financial commitments

At 31st December 2021 the charity had annual commitments under non-cancellable operating leases as set out below:

	2021	2020
Operating leases which expire in more than 5 years	£14,754	£14,754
	=====	=====

The Centre for Enterprise, Markets and Ethics

Notes to the accounts for the year ending 31st December 2021 (cont)

- 10 Statement of Financial Activities for the year ending 31st December 2020 (incorporating the Income and Expenditure Account for the period)

Notes

	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £	Total 2019 £
Incoming Resources				
<i>Incoming resources from generated funds</i>				
Voluntary income (donation/grant)	320,956	105,799	426,755	347,324
Investment income	3,439	-	3,439	3,424
<i>Other incoming resources</i>	6,045	-	6,045	3,300
	-----	-----	-----	-----
Total income resources	330,440	105,799	436,239	354,048
	-----	-----	-----	-----
Resources Expended				
<i>Costs of generating funds</i>				
Costs of generating voluntary income	1,500	-	1,500	1,500
4 Charitable activities	208,767	64,833	273,600	351,260
	-----	-----	-----	-----
Total resources expended	210,267	64,833	275,100	352,760
	-----	-----	-----	-----
Net income/net movement in funds	120,173	40,966	161,139	1,288
Funds brought forward	425,478	1,207	426,685	425,397
	-----	-----	-----	-----
Funds carried forward	£545,651	£42,173	£587,824	£426,685
	=====	=====	=====	=====