

Company Registration No. 08652606
Charity No. 1157491

The Sustainable Shipping Initiative Ltd

Report and Financial Statements
For the Year Ended 31 December 2020

The Sustainable Shipping Initiative Ltd

Contents of the Financial Statements For the Year Ended 31 December 2020

Reference and administrative information	3
Trustees' annual report	4
Independent examiner's report	10
Statement of financial activities (incorporating an income and expenditure account)	11
Balance Sheet	12
Notes to the Financial Statements	13 to 18

The Sustainable Shipping Initiative Ltd
Reference and administrative information

COMPANY NUMBER: 08652606
COUNTRY OF INCORPORATION: England

CHARITY NUMBER: 1157491
COUNTRY OF REGISTRATION: England and Wales

REGISTERED OFFICE: 11a Park Street
Camberley
Surrey
GU15 3PQ

OPERATIONAL ADDRESS: 19 Eastbourne Terrace
Paddington
LONDON
W2 6LG

TRUSTEES: Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

J. Bang	
S. Bennett	
O. Brine	
G. Campbell	Co-Chair
W. Dawson	(Resigned 16 October 2020)
S. Draper	(Resigned 16 October 2020)
A. Fischbacher	Co-Chair
M. Moura	
K. Palmer	
D. Peel	
J. Sterling	

KEY MANAGEMENT PERSONNEL: A. Stephens Executive Director

BANKERS: HSBC
City of London Branch
60 Queen Victoria Street
LONDON
EC4N 4TR

INDEPENDENT EXAMINER: Ping Chartered Accountants
11a Park Street
Camberley
Surrey
GU15 3PQ

The trustees present their report and the financial statements for the year ended 31 December 2020.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

The objectives are:

1. To advance education of the public in economic and social studies as they relate to individuals, communities, society at large and the planet as a whole, with special references to their inter-relationship with ecology, the natural world, health, technology, agriculture, sustainable development, philosophy and psychology.
2. To promote sustainable development for the benefit of the public by:
 - a. The preservation, conservation and protection of the environment and the prudent use of natural resources;
 - b. The relief of poverty and improvement of conditions of life in socially and economically disadvantaged communities; and
 - c. The promotion of sustainable means of achieving economic growth and regeneration.

The trustees and members review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work within the last twelve months. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Achievements and performance

Achievements and performance in the delivery of public benefit

The charity's main activities and who it tries to help are described below. All its charitable activities focus on shipping and its impact and are undertaken to further The Sustainable Shipping Initiative Limited's charitable purposes for the public benefit.

Over the reporting period the goals of the SSI have been:

1. Improving the sustainability of ship recycling including resolving environmental and labour concerns.
2. Exploring the sustainability of the marine fuels being considered in light of the need and growing pressure for zero or low carbon shipping.
3. Further the work on Biofuels and its role in shipping's decarbonisation
4. Addressing the systemic challenges for the protection of seafarers' labour and human rights

In 2020 these goals have been addressed through working groups and thought leadership, and have included wider areas of sustainability. 2020 saw the finalisation of the updating of the Roadmap for sustainable shipping in line with progress, changes and developments in the industry and the interrelated system landscape. The two main areas of work in 2020 have continued to be sustainable ship recycling and low carbon shipping, with a new workgroup being established for the seafarers' labour and human rights, addressing the S in ES&G pillars and the Roadmap, plus SSI's vision of a sustainable shipping industry – with particular relevance to vision areas: People, Communities and Transparency.

Sustainable Ship Recycling

Building upon the initial work streams of the SSI, our members launched the intent of its initiative, namely the Ship Recycling Transparency Initiative (SRTI), at the annual Tradewinds Ship Recycling Forum, held in Hamburg in 2018. Following this, the SRTI Online Platform was developed and launched in December 2018.

This is an area where the SSI is playing a pivotal role in bridging the gap; providing knowledge and information to speed up the adoption of sustainable ship recycling in line with the Hong Kong Convention, as well as encouraging transparency and bringing key stakeholders together to engage, find common ground and deliver progressive and sustainable solutions

From a cohort of 10 signatories of the initiative in December 2018, the support has grown to an impressive 29 signatories today, with global leaders such as BMW Group, Swiss Re Corporate Solutions, Evergreen Marine and NYK Line being amongst the new signatories. 12 signatories are disclosing shipowners (growth of three large shipowners during the past year), bringing the number of ships covered by disclosure to 3,439 (~7% of the global ocean-going fleet)

The work continues to build the demand-side support, in the form of Financial Stakeholders and Cargo Owners, whilst the group concluded not to proceed further with a supply-side disclosure at this time. Exploration of the circular economy potential and downstream waste handling has begun, given the emergence of discourse on circular economy in shipping. The SRTI community met virtually throughout 2020 for a series of webinars and an online Roundtable, bringing together stakeholders across the ship recycling industry to consider and drive the conversation around three themes key to the SRTI's further development and responsible ship recycling

The themes discussed were:

- data and transparency, which fed into the expansion of the SRTI disclosure questionnaire;
- circular economy, which focused on the potential role of circularity in the ship lifecycle and end of life; and
- the role of financial stakeholders in driving change, focused around stakeholder access to and use of the data disclosed via the SRTI platform

The trustee's report continued...

Low Carbon Shipping

Exploring the sustainability of the marine fuels

Ocean transportation is currently the most environmentally sound mode of transport in terms of CO2 emissions per tonne of cargo transported. Despite this, shipping is still responsible for 2.6% of total global anthropogenic CO2 emissions, which is broadly equivalent to the emissions of Germany.

The adoption in April 2018 of the IMO initial strategy on the reduction of greenhouse gas (GHG) emissions from ships sets out a vision to reduce GHG emissions from international shipping and phase them out entirely in line with the goals of the Paris Agreement. For this to be possible, zero-emission vessels (ZEVs) must enter global fleets as soon as possible.

An initial review by SSI Members showed that the sustainability issues, concerning alternative fuels being explored for shipping's decarbonisation, remain unclear. The sustainability criteria of these fuels remain undefined, posing a challenge to sustainability standards and certification – and ultimately, the selection of one or more winning options for zero emission shipping. Additionally, standards and certification schemes do not currently exist for these fuels.

SSI has identified a set of sustainability issues and principles for the alternative fuels under consideration, capitalising on the building momentum on the search for technically, commercially viable and sustainable ZEVs through initiatives such as the Getting to Zero Coalition (for which SSI is a knowledge partner in the fuels and technologies workstream).

Outlining the findings of an inquiry commissioned by the SSI in January 2019, the report reflects a broad stakeholder consultation process to explore the potential role of biofuels in the decarbonisation of shipping. The launch event saw SSI sharing key conclusions and recommendations with COP25 participants, with two of SSI's members, WWF and the China Navigation Company, offering their perspectives on these.

Objectives of the work are:

- Contributing thought leadership to the broader debate currently underway in the maritime sector, SSI's work will provide clarity on the sustainability issues surrounding the fuels currently being explored for shipping's decarbonisation.
- Through this work SSI aims to map existing sustainability standards and certifications of relevance as well as define the sustainability criteria for the fuels being considered as part of shipping's decarbonisation, to establish their sustainability credentials and facilitate certification.

In September 2020, the SSI announced a partnership with Copenhagen Business School – Maritime (CBS) under the Green Shipping Project, where CBS will conduct independent research and both contribute to and challenge the work by the SSI. CBS is a member of the Green Shipping Project.

During 2020, the working group developed a table of Issues, Principles and Criteria. This work will lead on to determining sustainability standards and certification programmes, for the future zero and low carbon fuels, against which the industry can produce, sell, purchase and meet the need for assurance concerning sustainability.

The below chart illustrates the steps in the work being carried out by the SSI on the sustainability criteria. The industry's regulator, the International Maritime Organisation (IMO) has asked for SSI's work to be submitted to its Marine Environment Protection Committee (MEPC) meetings in 2021 (MEPC 76 and 77) for consideration in its work on Lifecycle emissions, not simply emissions onboard the ship

Structure and definitions guided by recognised industry standards

Structure



Definitions

- **Sustainability issue:** What needs to be considered over the whole lifecycle of marine fuels, ensuring the needs of current generations are met while not compromising those of future generations
 - **Principle:** Aspirational goal that provides guidance on sustainability issues of relevance
 - **Criteria:** Describes best practice and sets out the condition(s) to meet the principle
-
- **Standard:** Provides minimum requirements based on the criteria, with which compliance may or may not be mandatory; developed by (third-party) standard-setting body
 - **Certification:** Assures sustainability by way of thresholds and indicators (which may be all) of the standards; conducted by (third-party) certification body

Working definitions adapted from Brundland Report; ISO; ISEAL; RSB

18 May 2021

7



The trustee's report continued...

Further the work on Biofuels and its role in shipping's decarbonisation

In May 2018, the SSI released a report on Zero Emission Vessels (ZEVs) as part of its Low-Carbon Shipping working group, following which members agreed to embark on a deep dive into biofuels, taking place across three phases described below.

Phase 1 (2018) of the deep dive into biofuels for shipping generated an internal SSI knowledge paper raising nine key questions facing the shipping industry surrounding its adoption of biofuels. Following this, SSI members agreed on the need for wider engagement within and beyond the maritime industry to respond to these questions and the emerging challenges in the ongoing debate on biofuels for shipping.

Phase 2 (2019) saw the launch of an inquiry into the sustainability and availability of biofuels for shipping, conducting an extensive stakeholder consultation process throughout 2019 – facilitated by sustainability non-profit Forum for the Future – that brought together a diverse range of stakeholders encompassing actors in shipping, climate, energy among other sectors. The inquiry sought to answer the question: *“Based on an in-depth stakeholder engagement on the viability, suitability and sustainability in the context of the wider system – What is the role that biofuels play, if any, in the decarbonisation of shipping?”*

In **Phase 3 (2020–21)** the deep dive will further unpack outstanding issues and unanswered questions raised in phase 2's inquiry, with a specific focus on the availability of sustainable biofuels for shipping, exploring:

- the potential sources and availability (current and potential) for sustainable biomass feedstocks
- the demand for sustainable biofuels in the short-, medium-, and long term, and how this will play out in the future mix of alternative fuels for zero emission shipping
- competing sectors for the pool of supply

The workgroup explored the availability challenges across the many potential feedstocks for Biofuels, given the competing demands from other hard to abate sectors, eg Aviation.

Drawing on recent and current research in the field of biofuels and bioeconomy, industry reports, as well as publicly available data on trials, this work and its report (to be released in June 2021) discusses a number of elements that need to be considered in the debate surrounding biofuels as a potential emissions reduction option for shipping.

The report will conclude our series of work on Biofuels, and will bring together the current landscape for biofuels for shipping: starting with the basics (the production pathways for biofuels and types of biofuels out there on the market), progress made by the industry through trialling biofuels, the challenge of estimating precise and future quantities for the availability of sustainable biofuels (both in general and for shipping), and touching on the role that shipping may play in the overall bioeconomy.

Concerning Low Carbon Shipping, the shipping sector cannot solve or manage these risks and uncertainties in isolation. The maritime industry has the opportunity to play a constructive role in establishing a sustainable bio-economy, facilitate the role of zero or low carbon fuels in the decarbonisation of shipping. All have a role to play in providing clear market signals and in ensuring that sustainability is central to the production, transportation, sourcing and use of the zero and low carbon fuels being

Throughout 2020 the SSI has continued to further build and maintain its presence online and in the media with increasing and regular contributions across Twitter, LinkedIn plus articles and interviews in the press, supported with participation in panel discussions and webinars about SSI's work and sustainability in shipping. The SSI has also continued to participate in a number of public speaking and discussion events to bring the above work and developments to the attention of the industry and wider public. Papers and case studies have been published on the SSI website, plus articles and interviews in the shipping and the

Social: Human Side

Addressing seafarers' labour and human rights

Delivering on seafarers' rights will see charterers play an active role in raising the bar in the shipping industry through the development of an industry code of conduct for actors joined together across the shipping value chain. Based on international labour and human rights standards and principles, this work brings together charterers, shipowners and operators to drive positive change through collective action, increasing transparency around labour and human rights risks.

Objectives:

- To improve respect of the labour and human rights of seafarers and provide safe and decent work for seafarers, leading to more sustainable supply chains
- To identify mechanisms for seafarers to understand their labour and human rights, report abuse of them and access remedy
- To improve transparency on actions taken to identify, mitigate and prevent labour and human rights risks within the shipping value chain
- To improve the ability of charterers to conduct labour and human rights due diligence and make informed decisions
- To catalyse collective action and leadership by charterers to advocate for more robust human rights protection within the industry

The workgroup commenced its work in November 2020, and announced a partnership with the Institute for Human Rights and Business (IHRB) at this time. This work sees charterers play an active role in raising the industry's bar through the development of an industry code of conduct (CoC) for actors joined together across the shipping value chain.

Based on international labour and human rights standards and principles, this work brings charterers, shipowners, and operators together for collective action, increasing transparency and driving positive change. We are also exploring ways in which seafarers' rights can be addressed by demanding transparency on labour and human rights risks, for example – through contractual terms and chartering provisions.

To bring this to life and progress to be tracked, data will need to be captured and made available for the parties in the value chain, and also for the industry to be held to account generally.

The SSI is working with a leading industry player whom is interested in facilitating and hosting data on many (perhaps all) of the elements of the CoC on their platform, supporting progress to be tracked and transparency between parties.

The trustee's report continued...

The Roadmap

The *Roadmap to a sustainable shipping industry* lays out the pathways and defines tangible milestones to be collectively achieved over the coming decades.

There is a clear need to reshape the way shipping operates in the face of current and future challenges: from a changing climate and the need for rapid decarbonisation by 2050; to increased scrutiny and pressure from investors, lenders and other financial stakeholders to improve sustainability performance and reporting; to the labour and human rights risks faced by seafarers worldwide, and highlighted by the ongoing crew change crisis.

The Roadmap consists of our six Vision areas – Oceans, Communities, People, Transparency, Finance, and Energy – each with its own set of objectives, desired outcomes and interrelated milestones to be achieved along the industry's sustainability journey.



Financial review

The charity is funded mainly through annual membership fees. This past year, SRTI's funding base grew, with signatory fees being supplemented by funding from the Engineering X Safer End of Engineered Life project and the Danish Orient's Fond, supporting the initiative's continued advancement and future development, contributing to a stable, resilient and independent initiative

The funds remaining after administration costs are expended on the work and projects that the members wish to be carried out. Surplus funds, if any, are carried forward to the following year.

Reserves policy and going concern

The charity has a policy of maintaining at least three months administration and contractual obligation costs (salaries, office expenses, service costs) during and at the end of the year. For 2020, the surplus (after reserves) was £52,530 at the beginning of the year, and the carry forward at the end of the year was £107,867. The charity is dependent for its running costs mainly upon contributions from members, and a budget was set for 2021 and approved by members at the Trustee Board Meeting in October. Invoices for membership fees for 2021 were issued in accordance with the approved budget and were sent out in December, and all invoices were paid within end of April 2021.

Plans for the future

The charity is continuing its work on its plans for 2021 and beyond. The strategy 2018–2021 provides for a purpose, vision and strategic goal for the SSI as follows:

Purpose: The Sustainable Shipping Initiative (SSI) is a multi-stakeholder initiative that brings together like-minded and ambitious leaders spanning the entire shipping value chain to contribute to – and thrive in – a more sustainable maritime industry. SSI members are shipowners and charterers; marine equipment, shipyards and service providers; banks, ship finance and insurance providers; classification societies; and sustainability focussed non-governmental organisations.

The SSI seeks to achieve its Vision for 2040 by changing the narrative to a socially and environmentally responsible, resilient and profitable industry in which sustainability equals success. The SSI Roadmap serves as a practical tool to understand and respond to sustainability challenges, setting out the steps and milestones throughout our collective journey to achieving our Vision.

Vision: The SSI's Vision for 2040 is of a shipping industry in which sustainability equals success. For us this means decarbonising, using materials efficiently and becoming a circular industry, providing positive careers and benefits for communities and driving ocean governance that protects this precious resource. This is captured in the goals of the SSI Roadmap.

The trustee's report continued...

Strategic Goal: By 2021, there is a decisive shift in attitude and behaviour so that the shipping industry is investing and innovating for resilience and sustainability.

We aim to:

- shine a light on what is working, and what is needed, to accelerate sustainability and shape a positive narrative
- deepen understanding of key barriers and take action to accelerate progress
- demonstrate that value can be created through sustainable development
- increase collective impact across the industry

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 15 August 2013 and registered as a charity on 16 June 2014.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 4 to the accounts

Appointment of trustees

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

The SSI has set criteria that require that the trustees are elected by the members, that at least one trustee is from an NGO member and that all trustees must have at least six months experience of the SSI before being nominated as a trustee. The members also recognise that the board needs to have the necessary range of skills to enable it to undertake its duties and either to ensure suitable training of trustees, suitable persons co-opted or professional services engaged. The post of treasurer is an honorary one as no serving trustee was able to take on the role and is currently vacant. This is not currently a concern due to the professional financial management of the SSI accounts, but is kept under review by trustees.

At the seventh annual general meeting in October 2020 one third of the trustees retired from office in rotation in accordance with the articles of association. Trustees who resign in rotation may offer themselves for re-election. The board was strengthened during 2020 with the addition of one new trustee. The Trustee was co-opted during the year, stood down and offered themselves for re-election and was re-appointed. There are currently no sub-committees of the board.

The charity's trustees have given consideration to the major risks to which the charity is exposed and satisfied themselves that systems or procedures are established and in place in order to manage those risks. Major risks are reviewed at each Board meeting.

Stephanie Draper stood down as Trustee and Chair in 2020. Guy Campbell was appointed Trustee during 2020 and appointed as Chair in December 2020.

Related parties and relationships with other organisations

The SSI was formerly a project of Forum for the Future and was spun-off into a separate entity with its own governance structure on 15 August 2013.

Alastair Fischbacher was a founding member and trustee of the charity, who resigned his positions in 2014 prior to taking on the role of Chief Executive. In 2016 he completed his term as Chief Executive and on 14th October 2016 was re-appointed as a trustee and Co-Chair of the charity.

Andrew Stephens is the Executive Director and Company Secretary for the SSI

Guy Campbell, General Manager (Atlantic) – Swire Bulk Pte Ltd, is also Chair of the SSI.

Statement of responsibilities of the trustees

The trustees (who are also directors of The Sustainable Shipping Initiative Limited for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustee's report continued...

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

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2020 was 13 (2019: 12). The trustees are not members of the charity.

Independent examiner

Ping Accounting Limited trading as Ping Chartered Certified Accountants was appointed as the charitable company's independent examiner during the year and has expressed its willingness to act in that capacity.

The trustees' annual report has been approved by the trustees on 08 July 2021 and signed on their behalf by

Guy Campbell
Chair

I report to the trustees on my examination of the accounts of The Sustainable Shipping Initiative Limited for the year ended 31 December 2020

Responsibilities and basis of report

As the trustees of the charity (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 charity 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

As the charity'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 ACCA.

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

- accounting records were not kept in accordance with section 386 of the 2006 Act; or
- the accounts do not accord with those records; or
- the accounts do not comply with the accounting requirements under 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102)

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.

Nicola Cole-Osborne FCCA
Ping Chartered Accountants
11a Park Street
Camberley
Surrey GU15 3PQ

08 July 2021

The Sustainable Shipping Initiative Ltd
Company Registration No. 08652606
Charity No. 1157491
Statement of Financial Activities (including summary income and expenditure account)
for the year ended 31 December 2020

	Unrestricted funds £	Restricted income funds £	Total funds £	Prior year funds £
Income				
Income and endowments from:				
Charitable activities				-
Memberships	216,360		216,360	244,332
Memberships - SRTI		116,763	116,763	44,825
Other	300	-	300	-
Total	216,660	116,763	333,423	289,157
Expenditure (Note 2)				
Expenditure on:				
Charitable activities	177,211	105,216	282,427	299,664
Total	177,211	105,216	282,427	299,664
Net income/(expenditure) before tax for the reporting period	39,449	11,547	50,996	(10,507)
Tax payable	-	-	-	-
Net income/(expenditure) after tax before investment gains/(losses)	39,449	11,547	50,996	(10,507)
Net gains/(losses) on investments	-	-	-	-
Net income/(expenditure)	39,449	11,547	50,996	(10,507)
Reconciliation of funds:				
Total funds brought forward	100,255	-	100,255	110,762
Total funds carried forward	139,704	11,547	151,251	100,255

All of the above are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

	Note	Unrestricted funds £	Restricted income funds £	Total this year £	Total last year £
Fixed assets					
Tangible assets	7	1,391		1,391	-
		1,391		1,391	-
Current assets					
Debtors	8	149,960		149,960	160,483
Cash at bank and in hand		236,757		236,757	142,667
		386,718		386,718	303,150
Creditors: amounts falling due within one year	9	236,858		236,858	202,895
Net current assets/(liabilities)		149,860		149,860	100,255
Total net assets or liabilities		151,251		151,251	100,255
Funds of the Charity					
Restricted income funds			11,547	11,547	-
Unrestricted funds		139,704		139,704	100,255
Revaluation reserve				-	
Fair value reserve					
Total funds		139,704	11,547	151,251	100,255

The company was entitled to exemption from audit under s477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act. The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to records and the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small regime and in accordance with FRS102 SORP.

Approved by the trustees on 08 July 2021 and signed on their behalf by

G Campbell
Chair

Note 1 - Principal accounting policies

Basis of accounting

These accounts 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 accounts have been prepared in accordance with:

- the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014
- the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102)
- and with the Charities Act 2011.

Public benefit entity

The charity constitutes a public benefit entity as defined by FRS 102.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

For reasons detailed in the trustees' annual report, the trustees do not consider the developments of the Covid-19 pandemic to materially impact on their assessment of the charity as a going concern.

Income

Recognition of income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to the resources, it is more likely than not that the trustees will receive the resources and the monetary value can be measured with sufficient reliability.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Interest receivable

This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.

Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other income resources received or generated for the charitable purposes.

Expenditure

Expenditure is recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

Governance and support costs

Support costs have been allocated between governance costs and other support. Governance costs comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

Note 1 - Principal accounting policies continued

Foreign currencies

Monetary assets and liabilities denominated in the currencies other than the functional currency of the charity are translated at the rates of exchange prevailing at the end of the reporting period. Transactions in currencies other than the functional currency of the charity are recorded at the rate of exchange on the date that the transaction occurred. All exchange differences are taken into account in arriving at net income/expenditure.

Fixed Assets

These are capitalised if they can be used for more than one year, and cost at least £200

They are valued at cost.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Computer equipment 33% Straight Line

Debtors

Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

Cash at bank and in hand

This 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.

Creditors

The charity has creditors which are measured at settlement amounts less any trade discounts

Provisions for liabilities

A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date

Basic financial instruments

The charity accounts for basic financial instruments on initial recognition as per paragraph 10.7 FRS102 SORP. Subsequent measurement is as per paragraphs 11.17 to 11.19, FRS102 SORP.

Pensions

The charity operates a personal pension plan, which is a defined contribution scheme. Contributions are charged to the statement of financial activities in the periods to which they relate. The charity has no liability under the scheme other than for the payment of those contributions.

Note 2 - Analysis of expenditure

	2020			2019	
	Unrestricted funds	Restricted income funds	Total funds	Unrestricted funds	Total funds
Expenditure on charitable activities:					
Staff Costs (note 4)	45,994	44,460	90,453	93,662	93,662
Communications	12,769	8,808	21,577	75,711	75,711
Travel and Subsistence	1,681	1,246	2,927	30,644	30,644
Meeting costs	143	13	155	9,328	9,328
Consultancy	86,470	37,904	124,374	59,755	59,755
Legal and Professional	2,270	1,205	3,475	4,135	4,135
Office costs	18,148	11,581	29,730	37,223	37,223
Foreign exchange (gains)/losses	9,736	-	9,736	(10,794)	(10,794)
Total expenditure on charitable activities	177,211	105,216	282,427	299,664	299,664

Other information:

Analysis of expenditure on charitable activities

	2020				2019		
Activity or programme	Activities undertaken directly £	Grant funding of activities £	Support Costs £	Total this year £	Activities undertaken directly £	Support Costs £	Total last year £
Memberships	175,761	-	1,450	177,211	244,452	3,355	247,807
SRTI	84,628	20,587	-	105,215	51,857	-	51,857
Total	260,389	20,587	1,450	282,426	296,309	3,355	299,664

Note 3 - Fees for the examination of the accounts

	2020 £	2019 £
Independent examiner's remuneration (exc VAT)	1,450	3,000

Note 4 - Staff costs

	2020	2019
	£	£
Salaries and wages	81,455	82,015
Social security costs	5,412	6,308
Pension costs (defined contribution scheme)	3,586	5,339
	<u>90,453</u>	<u>93,662</u>

One employee received total employee benefits (including employer national insurance and excluding employer pension costs) within the following band: £70,000 - £79,999.

2019: One employee earned within the following band: £70,000 - £79,999.

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £75,604 (2019: £82,035)

There was one redundancy made in 2020 (2019: 1). Statutory redundancy cost was £3,000 (2019 £1,575)

The charity trustees were neither paid nor received any other benefits from employment within the charity in the year (2019: £nil). No charity trustee received payment for professional or other services supplied to the charity (2019: £nil)

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £193 (2019: £255) incurred by one member (2019: 5), which relates to the attendance at meetings of the trustees.

Note 5 - Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 2 (2019: 2)

Note 6 - Pension scheme

The charity operates a workplace pension scheme set up by the government, Nest. As at 31 December 2020 £nil was owed (2019: £nil). There was 1 member of staff enrolled on the pension scheme at the end of December 2020.

Amount of contributions recognised in the SOFA as an expense in 2020 totalled £3,586 (2019: £5,339)

Note 7 - Tangible Fixed Assets

	Computer Equipment £	Totals £
Cost:		
At 1st January 2020	0	0
Additions	2,077	2,077
At 31st December 2020	<u>2,077</u>	<u>2,077</u>
Depreciation:		
At 1st January 2020	0	0
Charge for year	685	685
At 31st December 2020	<u>685</u>	<u>685</u>
Net book values:		
At 31st December 2019	<u>0</u>	<u>0</u>
At 31st December 2020	<u>1,391</u>	<u>1,391</u>

Note 8 - Debtors

	2020 £	2019 £
Trade Debtors	144,977	156,508
Prepayments and accrued income	4,984	3,975
	<u>149,960</u>	<u>160,483</u>

Note 9 - Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade Creditors	6,334	19
Accruals and deferred income	214,597	200,658
Taxation and social security	15,810	1,619
Other creditors	117	599
	<u>236,858</u>	<u>202,895</u>

Note 10 - Deferred income

Deferred income comprises memberships that have been invoiced ahead of the calendar year to which they relate.

	2020	2019
	£	£
Balance at the start of the reporting period	194,142	198,186
Amounts added in current period	213,147	194,142
Amounts released to income from previous period	<u>(194,142)</u>	<u>(198,186)</u>
Balance at the end of the reporting period	<u>213,147</u>	<u>194,142</u>

Note 11 - Contingent assets or liabilities

No contingent assets or liabilities were noted for the year ended 31 December 2020.

The contingent liability for the year ended 2019, which had an estimated liability of between £1,000 - £6,500 was settled during the year to 2020 for £3,000.

Note 12 - Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Note 13 - Related party transactions

There were no related party transactions noted in the year to 2020.

Note 14 - 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 £1.