

SUSTAINABLE FIBRE ALLIANCE
UNAUDITED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021



SUSTAINABLE FIBRE ALLIANCE
(A company limited by guarantee)

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SUSTAINABLE FIBRE ALLIANCE
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 JANUARY 2021

Trustees	Una Jones, Chief Executive Andreas Wilkes Charles Hubbard Simon Cotton Eleni Thrasyvoulou (appointed 28 October 2020) Paul Littlefair (appointed 2 March 2021) Louisa Holbrook (resigned 28 May 2020) Ruchira Joshi (resigned 28 January 2021)
Company registered number	09389265
Charity registered number	1165742
Registered office	41 Bryn Awelon Mold Flintshire CH7 1LT
Chief executive officer	Una Jones
Accountants	WR Partners Chartered Accountants 1 Edison Court Ellice Way Wrexham Technology Park Wrexham LL13 7YT

SUSTAINABLE FIBRE ALLIANCE
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JANUARY 2021

The Trustees present their annual report together with the financial statements of the Charity for the year 1 February 2020 to 31 January 2021. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The Sustainable Fibre Alliance is a global multi-stakeholder initiative with a mission to ensure the long-term viability of the cashmere sector. We promote the SFA Cashmere Standard to encourage the adoption of responsible production practices that minimise environmental impact, safeguard herder livelihoods and meet high animal welfare standards.

The objectives of the charity are:

To promote sustainable development for the benefit of the public by:

- the preservation, conservation and the protection of the environment and the prudent use of resources
- the relief of poverty and the improvement of the conditions of life in socially and economically disadvantaged communities
- the promotion of sustainable means of achieving economic growth and regeneration
- to advance the education of the public in subjects relating to sustainable development and the protection, enhancement and rehabilitation of the environment and to promote study and research in such subjects provided that the useful results of such study are disseminated to the public at large.

The vision of the Sustainable Fibre Alliance is that all cashmere is produced in an environmentally friendly way that safeguards the livelihoods of herding communities and protects the important, fragile environment in which they live.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

The Key Strategic aims that shape our work are:

- Environmental resilience in cashmere producing regions.
- Improving animal welfare within cashmere production.
- Improved long-term prospects for herding communities and farmers that rely on cashmere.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2021

Objectives and activities (continued)

c. Activities undertaken to achieve objectives

The SFA works with the end to end cashmere supply chain, connecting herders to brands and retailers in the global fashion industry. We offer a globally-focused, locally-adapted solution for sustainable cashmere. We promote the SFA Cashmere Standard to encourage the adoption of responsible practices that benefit people, livestock and the environment. Our standard allows companies to demonstrate their commitment to transforming the cashmere sector and make credible claims about the sustainability of their cashmere products.

d. Main activities undertaken to further the Charity's purposes for the public benefit

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 future activities.

Achievements and performance

a. Main achievements of the Charity

This year was an important milestone that kickstarts a decade of action to promote the role of the private sector and multi stakeholder collaboration to drive fairer and more equal societies through the cashmere sector.

With the impact of the Covid 19 pandemic being felt around the world, the SFA has reviewed its planned activities and we remain deeply committed to our core mission. We will now continue to expand the coverage of the SFA program throughout Mongolia and into China, working in partnership with other stakeholders to pool resources and increase our impact.

b. Review of activities

Key activities and achievements in 2020:

- SFA's governance and operational functionality has improved - We have a comprehensive Internal Management System and related process and policy documents inline with ISEAL codes of good practice.
- SFA membership has substantially increased (doubling in the past year) and now represents end to end supply chain actors from processing plants to brands and retailers.
- The Clean Fibre Processing Code of Practice was pilot successfully with strong demand from brands. Sitting within the SFA Cashmere Standard, this code of practice is targeted at first stage processors to ensure that cashmere fibre is processed without the use of harmful chemicals, specifically alkylphenol ethoxylates (APEOs). It also ensures efficient use of energy and water and a safe, fair working environment.
- SFA Chain of Custody, traceability system successfully introduced. The volume of certified fibre travelling through the supply chain is attracting the attention of cashmere companies, with 30 companies now signed up to our CoC pilot programme.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2021

Achievements and performance (continued)

- **Supporting Young Herders** - It has been another successful year for the Johnstons of Elgin Young Herders Training Programme (YHTP), which supports the next generation of responsible herders. The programme is being delivered from 2018 in Khentii province and it continues to be popular, providing training in sustainable land management and traditional herding practices. This programme was heavily impacted by covid and the closing of schools but has continued despite the disruption. The SFA team worked hard to adapt training materials so they could be delivered online <https://kharaatsai.mn/> to support both teachers and students. Young herders are essential in championing effective grassland management and animal health and welfare, and this project enables young people to access skills and knowledge that will help combat the sustainability challenges facing the industry.
- **SFA has expanded its work into China** and successfully implementing Cashmere Goat Welfare Code of Practice in partnership with International Cooperation Committee of Animal Welfare (ICCAW). Our accreditation programme supports the continuous improvement of farm management through improved animal welfare, productivity and profitability and is great benefit to herders.
- **Herder Access to Affordable Finance** - Through partnership with the SFA, Khan Bank (Mongolia's largest national bank, with branches in all provinces of Mongolia) has developed innovative, community based financial products for herding communities. Khan Bank have now agreed to a pioneering five year fund (2019 to 2023) that will provide economic incentives for herder involvement in the SFA programme and help support the resilience of herding communities.

The SFA's grassroots development efforts and inspiring education programmes would not be possible without the dedication of our team in the UK and in Mongolia and the vital funds raised from our members. We are also extremely grateful to our board of trustees/directors, who bring world class skill and dedication to our cause, and to the many members and businesses who have donated their time and resources to our work programme.

Our supporters know that ensuring animal welfare, good land management and responsible production practices takes time, and their ongoing support is vital to our success in tackling the sustainability challenges that face the cashmere sector today.

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The Trustees have adopted a policy of having minimum total reserves of £50,000, in order to guarantee continuity of charitable activities. The Trustees will further review this policy as the activities of the charity continue to grow. The charity's reserves at 31st January 2021 amounted to £116,348 (2020: £105,480).

Free reserves at 31 January 2021 were £109,667 (2019: 106,421).

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2021

Structure, governance and management

a. Constitution

The company is registered as a charitable company limited by guarantee incorporated in England and Wales. It was set up by Articles of Association, dated 14th January 2015 and then amended on 4th February 2016.

The company was granted charitable status on 24th February 2016 and is now registered charity number 1165742.

b. Methods of appointment or election of Trustees

The management of the company is the responsibility of the Trustees, who are elected by ordinary resolution by the existing Trustees in accordance with the company's articles of association.

c. Organisational structure and decision-making policies

The charity is managed by its Board, which consists of its Chair (also a Trustee), its CEO (also a Trustee), and four other Trustees. Management of day to day operations is delegated to the CEO, supported by teams in the UK and in Mongolia. The Charity Commission have granted permission for the CEO to draw remuneration for her services as CEO as well as being a Trustee.

d. Risk management

SFA have a Risk Register procedure in place for evaluating the strategic, operational, finance and compliance risks that the charity is exposed to. The Risk Register is used to support the identification and evaluation of risk, as well as the design and implement effective measures, not only to reduce risk and limit the impact if such risks materialise. The Trustees regularly assess the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity, both in the UK and in Mongolia. The Trustees have assessed both the impact and likelihood of each source of risk and are satisfied that systems and procedures are in place to mitigate our exposure where ever possible.

Plans for future periods

Our mission is to ensure the long term viability of the cashmere sector by promoting the SFA Cashmere Standard and encouraging the adoption of responsible production practices.

As we move into 2021, we will launch our new global standard along with biodiversity and livelihood projects championing sustainable development globally. Key focus our activity is to continue to engaging our members and partners to help us further scale our work into Inner and Outer Mongolia and The aim is to have Codes of Practice through each step and, eventually, the entire supply chain from goat herders to retailers. We are building up our alliances with the ambition of working with new partners from the conservation, academia, business and fashion industries. This will ensure a coherent effort that supports sustainability in the cashmere industry that improves herders and their families' livelihoods while reducing environmental impact and raising animal welfare.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2021

Plans for future periods (continued)

The SFA has a clear mission and our strategy focuses on our efforts for the years ahead to 2030. While our mission remains unchanged, we will adapt our strategy to changing circumstances and employ innovative, impactful and inspiring ways in achieving our objectives. The strategy will ensure the SFA is focused on working well collectively to achieve appropriate, measurable impact in all we do. Inspiring passion, advocacy, and support for human nature coupled systems are fundamental to our work. 2021/2022 will see the launch of our scheduled events to engage the public, government, businesses and end to end supply chain in our mission to transform the sustainability of the global cashmere sector.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' 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. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:



Una Jones
Chief Executive

Date: 27/10/2021

SUSTAINABLE FIBRE ALLIANCE
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INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 JANUARY 2021

Independent Examiner's Report to the Trustees of Sustainable Fibre Alliance ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 January 2021.

Responsibilities and Basis of Report

As the Trustees of the Charity (and 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 the Charity's accounts 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.

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INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2021

Independent Examiner's Statement

Since 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 the Institute for Chartered Accountants in England and Wales, which is one of the listed bodies.

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 Charity 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 the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed:

Dated:

Tim Lunt

BA FCCA MIRPM

WR Partners
Chartered Accountants
Belmont House
Shrewsbury Business Park
Shrewsbury
SY2 6LG

SUSTAINABLE FIBRE ALLIANCE
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JANUARY 2021**

	Note	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	3	16,528	391,206	407,734	436,089
Total income		16,528	391,206	407,734	436,089
Expenditure on:					
Charitable activities	4	12,483	384,383	396,866	391,400
Total expenditure		12,483	384,383	396,866	391,400
Net income		4,045	6,823	10,868	44,689
Transfers between funds	12	2,891	(2,891)	-	-
Net movement in funds		6,936	3,932	10,868	44,689
Reconciliation of funds:					
Total funds brought forward		(2,832)	108,312	105,480	60,791
Net movement in funds		6,936	3,932	10,868	44,689
Total funds carried forward		4,104	112,244	116,348	105,480

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 12 to 23 form part of these financial statements.

SUSTAINABLE FIBRE ALLIANCE
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REGISTERED NUMBER: 09389265

BALANCE SHEET
AS AT 31 JANUARY 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	9		2,577		1,891
			2,577		1,891
Current assets					
Debtors	10	37,411		99,900	
Cash at bank and in hand		99,316		15,440	
		136,727		115,340	
Creditors: amounts falling due within one year	11	(22,956)		(11,751)	
Net current assets			113,771		103,589
Total assets less current liabilities			116,348		105,480
Net assets excluding pension asset			116,348		105,480
Total net assets			116,348		105,480

SUSTAINABLE FIBRE ALLIANCE
(A company limited by guarantee)
REGISTERED NUMBER: 09389265

BALANCE SHEET (CONTINUED)
AS AT 31 JANUARY 2021

	Note	2021 £	2021 £	2020 £	2020 £
Charity funds					
Restricted funds	12		4,104		(2,832)
Unrestricted funds	12		112,244		108,312
Total funds			116,348		105,480

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Una Jones

Una Jones
Chief Executive

Date: 27/10/2021

The notes on pages 12 to 23 form part of these financial statements.

SUSTAINABLE FIBRE ALLIANCE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021

1. General information

Sustainable Fibre Alliance is a charitable company, limited by guarantee and incorporated in England and Wales. The members of the charity are the trustees named on page 1 of these accounts. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charitable company.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Sustainable Fibre Alliance meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

After making enquires, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

The Trustees have also assessed the potential impact on the future operations of the Charity with regard to the Covid-19 outbreak. The Charity is considered to be well positioned given the current environment with no impact on the going concern basis of the financial statements.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of financial activities.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	-	33% straight-line
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2.7 Debtors

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

2.8 Cash at bank and in hand

Cash at bank and 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021

2. Accounting policies (continued)

2.9 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.10 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.11 Pensions

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.12 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021**

3. Income from donations and legacies

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Donations	16,528	379,646	396,174	436,089
Covid-19 grants	-	11,560	11,560	-
Total 2021	<u>16,528</u>	<u>391,206</u>	<u>407,734</u>	<u>436,089</u>
<i>Total 2020</i>	<u>32,094</u>	<u>403,995</u>	<u>436,089</u>	

4. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Direct costs	12,483	384,383	396,866	391,400
Total 2021	<u>12,483</u>	<u>384,383</u>	<u>396,866</u>	<u>391,400</u>
<i>Total 2020</i>	<u>34,926</u>	<u>356,474</u>	<u>391,400</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021**

5. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Direct costs	219,148	177,718	396,866	391,400
Total 2021	<u>219,148</u>	<u>177,718</u>	<u>396,866</u>	<u>391,400</u>
<i>Total 2020</i>	<u>244,310</u>	<u>147,090</u>	<u>391,400</u>	

Analysis of direct costs

	Activities 2021 £	Total funds 2021 £	Total funds 2020 £
Staff costs	78,117	78,117	53,724
Charitable project costs	37,896	37,896	29,393
Conference costs	548	548	21,657
Training and accreditation costs	47,782	47,782	93,779
Research costs	9,905	9,905	27,075
Mongolian labour charges	44,900	44,900	18,682
Total 2021	<u>219,148</u>	<u>219,148</u>	<u>244,310</u>
<i>Total 2020</i>	<u>244,310</u>	<u>244,310</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
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5. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	65,141	65,141	50,079
Depreciation	980	980	723
Travel costs	5,484	5,484	20,602
Office expenditure	12,539	12,539	21,715
Finance costs	15,541	15,541	7,949
Communications and internet	19,952	19,952	10,355
Rent and room hire	7,925	7,925	8,008
Insurance	1,790	1,790	1,839
Other expenditure	10,031	10,031	2,070
Mongolian labour charges	38,335	38,335	23,750
Total 2021	<u>177,718</u>	<u>177,718</u>	<u>147,090</u>
<i>Total 2020</i>	<u>147,090</u>	<u>147,090</u>	

6. Independent examiner's remuneration

	2021 £	<i>2020 £</i>
Fees payable to the Charity's independent examiner for the independent examination of the Charity's annual accounts	<u>2,220</u>	<u>2,112</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021**

7. Staff costs

	2021 £	2020 £
Wages and salaries	139,051	97,796
Contribution to defined contribution pension schemes	4,207	6,007
	143,258	103,803

The average number of persons employed in the UK by the Charity during the year was as follows:

	2021 No.	2020 No.
Employees	4	3

No employee received remuneration amounting to more than £60,000 in either year.

The information provided throughout this note discloses details for the charitable company's workforce in the United Kingdom.

The charitable company also has a team of 12 employees in Mongolia for whom it completes regulatory filing in Mongolia, the cost of this team is presented in the accounts within both direct and support costs in Note 5.

There are also 3 members of contract staff used by the charitable company, the cost of these is presented in the accounts within both direct and support costs in Note 5.

8. Trustees' remuneration and expenses

During the year, the charity has paid a salary to the Chief Executive, Una Jones, who is also a Trustee. The charity has obtained permission from the Charities Commission for Una Jones to be paid remuneration for her role as Chief Executive. The value of Trustees' remuneration and other benefits was as follows:

		2021 £	2020 £
Una Jones	Remuneration (inc pension contributions)	46,820	49,900

During the year ended 31 January 2021, no Trustee expenses have been incurred (2020 - £4,282).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021**

9. Tangible fixed assets

	Office equipment £
Cost or valuation	
At 1 February 2020	2,614
Additions	1,666
At 31 January 2021	<u>4,280</u>
Depreciation	
At 1 February 2020	723
Charge for the year	980
At 31 January 2021	<u>1,703</u>
Net book value	
At 31 January 2021	<u><u>2,577</u></u>
<i>At 31 January 2020</i>	<u><u>1,891</u></u>

10. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	37,400	99,900
Other debtors	11	-
	<u><u>37,411</u></u>	<u><u>99,900</u></u>

SUSTAINABLE FIBRE ALLIANCE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021**

11. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	11,158	1,966
Other taxation and social security	6,603	4,241
Other creditors	2,975	3,432
Accruals and deferred income	2,220	2,112
	<u>22,956</u>	<u>11,751</u>

12. Statement of funds

Statement of funds - current year

	Balance at 1 February 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 January 2021 £
Unrestricted funds					
General Funds - all funds	108,312	391,206	(384,383)	(2,891)	112,244
	<u>108,312</u>	<u>391,206</u>	<u>(384,383)</u>	<u>(2,891)</u>	<u>112,244</u>
Restricted funds					
UNDP	(2,891)	-	-	2,891	-
EDRB Project	59	14,308	(10,813)	-	3,554
Export Development Project	-	2,220	(1,670)	-	550
	<u>(2,832)</u>	<u>16,528</u>	<u>(12,483)</u>	<u>2,891</u>	<u>4,104</u>
Total of funds	<u>105,480</u>	<u>407,734</u>	<u>(396,866)</u>	<u>-</u>	<u>116,348</u>

SUSTAINABLE FIBRE ALLIANCE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021**

12. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 February 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 January 2020 £</i>
Unrestricted funds				
General Funds - all funds	60,791	403,995	(356,474)	108,312
	<hr/>	<hr/>	<hr/>	<hr/>
Restricted funds				
UNDP	-	14,119	(17,010)	(2,891)
EDRB Project	-	17,975	(17,916)	59
	<hr/>	<hr/>	<hr/>	<hr/>
	-	32,094	(34,926)	(2,832)
	<hr/>	<hr/>	<hr/>	<hr/>
Total of funds	60,791	436,089	(391,400)	105,480
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

13. Summary of funds

Summary of funds - current year

	Balance at 1 February 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 January 2021 £
General funds	108,312	391,206	(384,383)	(2,891)	112,244
Restricted funds	(2,832)	16,528	(12,483)	2,891	4,104
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	105,480	407,734	(396,866)	-	116,348
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

SUSTAINABLE FIBRE ALLIANCE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021**

13. Summary of funds (continued)

Summary of funds - prior year

	<i>Balance at 1 February 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Balance at 31 January 2020 £</i>
General funds	60,791	403,995	(356,474)	108,312
Restricted funds	-	32,094	(34,926)	(2,832)
	<u>60,791</u>	<u>436,089</u>	<u>(391,400)</u>	<u>105,480</u>

14. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	2,577	2,577
Current assets	4,104	132,623	136,727
Creditors due within one year	-	(22,956)	(22,956)
Total	<u>4,104</u>	<u>112,244</u>	<u>116,348</u>

Analysis of net assets between funds - prior period

	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	-	1,891	1,891
Current assets	-	115,340	115,340
Creditors due within one year	(2,832)	(8,919)	(11,751)
Total	<u>(2,832)</u>	<u>108,312</u>	<u>105,480</u>

SUSTAINABLE FIBRE ALLIANCE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021

15. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions paid by the charity to the fund and amounted to £4,207 (2020: £6,007). Contributions of £2,975 (2020: £3,432) were payable to the fund at the balance sheet date and are included in creditors.

16. Related party transactions

Included within expenditure are operational costs totalling £2,450 (2020: £10,530) that have been paid to Charles Hubbard (Trustee) to enable him to perform his volunteer role as Head of Operations in Mongolia. Charles receives no additional remuneration to occupy this role.

Also included within expenditure are costs totalling £6,901 (2020: £1,355) to Alison Hubbard (daughter of Charles Hubbard) for services provided throughout the year.

Johnstons of Elgin, a company of which Simon Cotton (trustee) is a director has donated £10,000 to the charity in the year (2020: £Nil).