

**SUSTAINABLE FIBRE ALLIANCE**  
**UNAUDITED**  
**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JANUARY 2022**



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**SUSTAINABLE FIBRE ALLIANCE**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 JANUARY 2022**

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<b>Trustees</b>	Una Jones, Chief Executive Andreas Wilkes Charles Hubbard Simon Cotton (resigned 20 July 2022) Eleni Thrasyvoulou (resigned 20 July 2022) Paul Littlefair (appointed 2 March 2021) Tana Dai (appointed 8 June 2022) Karen Perry (appointed 8 June 2022) Jocelyn Wilkinson (appointed 18 January 2022)
<b>Company registered number</b>	09389265
<b>Charity registered number</b>	1165742
<b>Registered office</b>	41 Bryn Awelon Mold Flintshire CH7 1LT
<b>Chief executive officer</b>	Una Jones
<b>Accountants</b>	WR Partners Chartered Accountants Belmont House Shrewsbury Business Park Shrewsbury Shropshire SY2 6LG

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 JANUARY 2022**

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The Trustees present their annual report together with the financial statements of the Charity for the period from 1 February 2021 to 31 January 2022. 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 SFA 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 2022**

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**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 in further expanding our work in Mongolia and China and supporting our global members' positive environmental and social activities.

Notable activities for the year included consolidating internal processes with external communications to enable secure reach and growth, refining the Codes of Practice and Chain of Custody programmes to increase the quality and impact of programmes and further developing project activities with key partners. We increased membership, reach and partnerships, particularly through expanding activities in China, despite ongoing operating challenges due to Covid. These activities were critical for managing growth, integrating best practices and current scientific thinking into our work and fulfilling our mission and objectives.

**b. Review of activities**

SFA has achieved a wide range of successes during 2021/22, progressing in our mission to ensure the long-term viability of the cashmere sector. We promote the SFA Cashmere Standards to encourage the adoption of responsible production practices that minimise environmental impact, safeguard herder livelihoods and meet high animal welfare standards. Some of our key achievements in 2021/22 include:

- **Membership growth:** SFA has seen a growing interest in securing certified fibre, which has meant a steady increase in SFA Membership over 2021, with 21 new members joining between February and December 2021.
- **Improved operational robustness:** The introduction of our Salesforce system for tracking transactions of certified fibre through the supply chain in China and Mongolia is an important mechanism to support transparency in the cashmere value chain. The SFA Chain of Custody Salesforce IT system provides comprehensive transparency of end-to-end supply chain companies involved in certified fibre. It supports 180 accounts in the CoC system linking Herder Cooperatives, Certification Bodies, Primary Processors and other companies, including manufacturers, traders, and brands.
- **Increased reach and capacity building:** SFA supports herder communities across 15 regions of Mongolia with training and outreach programmes. The SFA China partner organisation ICCAW has conducted training sessions for processors and farmers across eight provinces of China. Extensive training, communications and capacity building collectively benefits over 42,000 herders/farmers across both countries and manages over 2,000 tonnes of certified fibre through its chain of custody programme. A range of training and capacity-building documents are now available in English, Chinese and Mongolian to support capacity building.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 JANUARY 2022**

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**Achievements and performance (continued)**

- Consumer education and claims: The success of the Chain of Custody programme in 2021 resulted in the first SFA Certified hangtags appearing in stores in the autumn in Europe, as well as in Mongolia.
  - o The first virtual Conference, 'Sustainability in the Cashmere Sector', was held in 2021 to expand reach and knowledge and support our capacity-building activities.
- Improved governance and independent assurance: Agreements were put into place with four Certification Bodies to combine Clean Fibre audits with the Content Claims Standard audits. SFA was granted Community members of the ISEAL Alliance, consolidating our position as a trusted Standards holding and certification entity.
- Expanding partnerships and impact: In 2021, the SFA partnered with the UK Embassy of Mongolia, fashion brands, the National Genetic Resources Fund of Mongolia, and other national and regional vocational learning organisations, to conduct a training programme: Selecting and Breeding of Small Ruminants. The programme aimed to help strengthen the skills and capacity of wool and cashmere producers and improve the quality of raw fibre arriving at processing plants. The programme also focused on introducing and demonstrating better sustainability practices and protecting the animals' health.

**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 2022 amounted to £328,530 (2021: £116,348).

Free reserves at 31 January 2022 were £322,707 (2021: £109,667).

**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 a 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.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 JANUARY 2022**

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**Structure, governance and management (continued)**

**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**

The decision was taken to revise the SFA codes of practice structure into a global voluntary standard with consistent implementation between countries, ensuring that all certified producers and processors apply critical social, environmental and animal welfare criteria. As a membership alliance, it has been crucial to use this revision as an opportunity to gain consensus and a deeper understanding of the links between the latest scientific understanding and traditional knowledge, practices and performance and to garner buy-in and support from a balance of stakeholders (governmental, academic, NGO's, producers). In line with ISEAL best practices, the multistakeholder outreach continues to allow for targeted stakeholder input and public consultation, to ensure breadth and depth of expertise involvement for a robust standard and assurance system that generates credible, positive change to the SFA and the communities in which we support.

The development and implementation of the Global standard act as a catalyst for continuous, measurable improvements by producers and processors around environmental, social and animal welfare issues. Alongside this, the SFA will continue to engage in projects which champion sustainable development and address specific issues or blocks to sustainable development along the cashmere value chain. Strong partnerships with a variety of trusted and esteemed project partners have been cemented and are being further developed. These include membership engagement on projects addressing specific issues (such as John Lewis' support of Producer Cooperatives, J.Crew support of Women's Empowerment projects and Young herder training supported by Johnston's of Elgin), with various UN agencies (such as FAO, UNDP and UNIDO), NGOs (such as WWF), financial institutions such as EBRD, World Bank and Khan Bank, academic institutions and especially ICCAW our partner in China. This approach helps ensure a coherent effort that supports sustainability in the cashmere industry that enhances herders' and their families' livelihoods while reducing environmental impact and raising animal welfare.

With the current global lens on the effectiveness of sustainability initiatives, the introduction of welcomed regulation (especially around environmental claims and due diligence) and increased action by corporates, SFA is in a strong position with its clear mission, collaborative ethos and sharp focus to support and catalyse positive action along the end-to-end cashmere value chain.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 JANUARY 2022**

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**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 . 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:



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**SUSTAINABLE FIBRE ALLIANCE**  
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**INDEPENDENT EXAMINER'S REPORT**  
**FOR THE YEAR ENDED 31 JANUARY 2022**

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**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 2022.

**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 2022**

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**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:

S J Tweedie

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

Dated:

BSc FCA DChA

**SUSTAINABLE FIBRE ALLIANCE**  
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 JANUARY 2022**

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>					
Donations and legacies	3	112,979	656,223	769,202	407,734
<b>Total income</b>		<b>112,979</b>	<b>656,223</b>	<b>769,202</b>	<b>407,734</b>
<b>Expenditure on:</b>					
Charitable activities	4	63,036	493,984	557,020	396,866
<b>Total expenditure</b>		<b>63,036</b>	<b>493,984</b>	<b>557,020</b>	<b>396,866</b>
<b>Net income</b>		<b>49,943</b>	<b>162,239</b>	<b>212,182</b>	<b>10,868</b>
Transfers between funds	12	4,475	(4,475)	-	-
<b>Net movement in funds</b>		<b>54,418</b>	<b>157,764</b>	<b>212,182</b>	<b>10,868</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		4,104	112,244	116,348	105,480
Net movement in funds		54,418	157,764	212,182	10,868
<b>Total funds carried forward</b>		<b>58,522</b>	<b>270,008</b>	<b>328,530</b>	<b>116,348</b>

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

The notes on pages 12 to 24 form part of these financial statements.

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

**BALANCE SHEET**  
**AS AT 31 JANUARY 2022**

	<b>Note</b>	<b>2022 £</b>	<b>2022 £</b>	<b>2021 £</b>	<b>2021 £</b>
<b>Fixed assets</b>					
Tangible assets	9		<b>5,823</b>		<b>2,577</b>
			<b>5,823</b>		<b>2,577</b>
<b>Current assets</b>					
Debtors	10	<b>246,720</b>		<b>37,411</b>	
Cash at bank and in hand		<b>97,098</b>		<b>99,316</b>	
		<b>343,818</b>		<b>136,727</b>	
Creditors: amounts falling due within one year	11	<b>(21,111)</b>		<b>(22,956)</b>	
<b>Net current assets</b>			<b>322,707</b>		<b>113,771</b>
<b>Total assets less current liabilities</b>			<b>328,530</b>		<b>116,348</b>
<b>Net assets excluding pension asset</b>			<b>328,530</b>		<b>116,348</b>
<b>Total net assets</b>			<b>328,530</b>		<b>116,348</b>

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**SUSTAINABLE FIBRE ALLIANCE**  
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**REGISTERED NUMBER: 09389265**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 JANUARY 2022**

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	<b>Note</b>	<b>2022</b> <b>£</b>	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>	<b>2021</b> <b>£</b>
<b>Charity funds</b>					
Restricted funds	12		<b>58,522</b>		<b>4,104</b>
Unrestricted funds	12		<b>270,008</b>		<b>112,244</b>
<b>Total funds</b>			<b>328,530</b>		<b>116,348</b>

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**  
Chief Executive

Date:

The notes on pages 12 to 24 form part of these financial statements.

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**SUSTAINABLE FIBRE ALLIANCE**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JANUARY 2022**

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**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.

**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.

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 2022**

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**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 2022**

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**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.



**SUSTAINABLE FIBRE ALLIANCE**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2022**

**3. Income from donations and legacies**

	<b>Restricted funds 2022 £</b>	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<i>Total funds 2021 £</i>
Donations	112,979	656,223	<b>769,202</b>	396,174
Covid-19 grants	-	-	-	11,560
<b>Total 2022</b>	<u>112,979</u>	<u>656,223</u>	<u><b>769,202</b></u>	<u>407,734</u>
<i>Total 2021</i>	<u>16,528</u>	<u>391,206</u>	<u>407,734</u>	

**4. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Restricted funds 2022 £</b>	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<i>Total funds 2021 £</i>
Charitable Activities	63,036	493,984	<b>557,020</b>	396,866
<b>Total 2022</b>	<u>63,036</u>	<u>493,984</u>	<u><b>557,020</b></u>	<u>396,866</u>
<i>Total 2021</i>	<u>12,483</u>	<u>384,383</u>	<u>396,866</u>	

**SUSTAINABLE FIBRE ALLIANCE**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2022**

**5. Analysis of expenditure by activities**

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Charitable Activities	363,169	193,851	<b>557,020</b>	396,866
<b>Total 2022</b>	<u>363,169</u>	<u>193,851</u>	<u><b>557,020</b></u>	<u>396,866</u>
<i>Total 2021</i>	<u>218,600</u>	<u>178,266</u>	<u>396,866</u>	

**Analysis of direct costs**

	Activities 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	150,916	<b>150,916</b>	131,569
Charitable project costs	45,078	<b>45,078</b>	30,598
Conference costs	11,097	<b>11,097</b>	-
Training and accreditation costs	101,774	<b>101,774</b>	11,528
Research costs	7,801	<b>7,801</b>	5
Mongolian labour charges	46,503	<b>46,503</b>	44,900
<b>Total 2022</b>	<u>363,169</u>	<u><b>363,169</b></u>	<u>218,600</u>
<i>Total 2021</i>	<u>218,600</u>	<u>218,600</u>	

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**5. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Activities 2022 £</b>	<b>Total funds 2022 £</b>	<i>Total funds 2021 £</i>
Staff costs	41,840	<b>41,840</b>	65,141
Depreciation	2,206	<b>2,206</b>	980
Travel costs	7,395	<b>7,395</b>	5,484
Office expenditure	17,743	<b>17,743</b>	23,466
Finance costs	2,332	<b>2,332</b>	12,781
Communications and internet	14,230	<b>14,230</b>	19,952
Insurance	-	-	1,790
Other expenditure	10,302	<b>10,302</b>	10,337
Mongolian labour charges	97,803	<b>97,803</b>	38,335
<b>Total 2022</b>	<u>193,851</u>	<u><b>193,851</b></u>	<u>178,266</u>
<i>Total 2021</i>	<u>178,266</u>	<u>178,266</u>	

The analysis of the 2021 comparative figures has been restated to reflect a more accurate allocation of costs in line with current year figures.

**6. Independent examiner's remuneration**

	<b>2022 £</b>	<i>2021 £</i>
Fees payable to the Charity's independent examiner for the independent examination of the Charity's annual accounts	<u><b>2,760</b></u>	<u>2,220</u>

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**7. Staff costs**

	<b>2022</b>	<i>2021</i>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>173,985</b>	<i>182,518</i>
Social security costs	<b>14,624</b>	<i>9,985</i>
Contribution to defined contribution pension schemes	<b>4,147</b>	<i>4,207</i>
	<b>192,756</b>	<i>196,710</i>

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

	<b>2022</b>	<i>2021</i>
	<b>No.</b>	<b>No.</b>
Employees	<b>6</b>	<i>4</i>

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 average number of persons employed in the UK is six there are also three members of contract staff employed by the SFA in the UK, the cost of these is presented in the accounts within both direct and support costs in Note 5. 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 9 employees in Mongolia and 37 short-term service contractors 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.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**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:

		<b>2022</b>	<i>2021</i>
		<b>£</b>	<b>£</b>
Una Jones	Remuneration (inc pension contributions)	<b>49,536</b>	<i>46,820</i>

During the year ended 31 January 2022, expenses totalling £903 were reimbursed or paid directly to 1 Trustee (2021 - £NIL). This included train travel and staff training.

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**9. Tangible fixed assets**

	Office equipment £
<b>Cost or valuation</b>	
At 1 February 2021	4,280
Additions	5,452
At 31 January 2022	<u>9,732</u>
<b>Depreciation</b>	
At 1 February 2021	1,703
Charge for the year	2,206
At 31 January 2022	<u>3,909</u>
<b>Net book value</b>	
At 31 January 2022	<u>5,823</u>
<i>At 31 January 2021</i>	<u>2,577</u>

**10. Debtors**

	2022 £	2021 £
<b>Due within one year</b>		
Trade debtors	246,609	37,400
Other debtors	111	11
	<u>246,720</u>	<u>37,411</u>

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**11. Creditors: Amounts falling due within one year**

	2022 £	2021 £
Trade creditors	10,506	11,158
Other taxation and social security	5,720	6,603
Other creditors	1,891	2,975
Accruals and deferred income	2,994	2,220
	<u>21,111</u>	<u>22,956</u>

**12. Statement of funds**

**Statement of funds - current year**

	Balance at 1 February 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 January 2022 £
<b>Unrestricted funds</b>					
General Funds - all funds	112,244	656,223	(493,984)	(4,475)	270,008
	<u>112,244</u>	<u>656,223</u>	<u>(493,984)</u>	<u>(4,475)</u>	<u>270,008</u>
<b>Restricted funds</b>					
EDRB Project	3,554	45,198	(18,011)	-	30,741
Export Development Project	550	-	(1,893)	1,343	-
Empowerment of Women Project	-	40,000	(43,132)	3,132	-
Young Herder Training Programme	-	11,451	-	-	11,451
Small Ruminants Project	-	10,000	-	-	10,000
UNDP Project	-	6,330	-	-	6,330
	<u>4,104</u>	<u>112,979</u>	<u>(63,036)</u>	<u>4,475</u>	<u>58,522</u>
<b>Total of funds</b>	<u>116,348</u>	<u>769,202</u>	<u>(557,020)</u>	<u>-</u>	<u>328,530</u>

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**12. Statement of funds (continued)**

**Statement of funds - prior year**

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

**13. Summary of funds**

**Summary of funds - current year**

	<b>Balance at 1 February 2021 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers in/out £</b>	<b>Balance at 31 January 2022 £</b>
General funds	112,244	656,223	(493,984)	(4,475)	270,008
Restricted funds	4,104	112,979	(63,036)	4,475	58,522
	116,348	769,202	(557,020)	-	328,530



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**13. Summary of funds (continued)**

**Summary of funds - prior year**

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

**14. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Restricted funds 2022 £</b>	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>
Tangible fixed assets	-	5,823	<b>5,823</b>
Current assets	58,522	285,296	<b>343,818</b>
Creditors due within one year	-	(21,111)	<b>(21,111)</b>
<b>Total</b>	<u>58,522</u>	<u>270,008</u>	<u><b>328,530</b></u>

**Analysis of net assets between funds - prior year**

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

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**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 £4,147 (2021: £4,207). Contributions of £1,891 (2021: £2,975) were payable to the fund at the balance sheet date and are included in creditors.

**16. Related party transactions**

Included within expenditure are research costs totalling £20,000 (2021: NIL) that have been paid to Andreas Wilkes (trustee) to carry out a scoping research project as a consultant with expert skills in Land management and the Chinese language. This work is outside of the remit of the board trustee.

This year there has been no expenditure (2021: £2,450) that has 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 £3,327 (2021: £6,901) to Alison Hubbard (daughter of Charles Hubbard, trustee) for services provided throughout the year. Alison Hubbard became an employee on 05/04/2021, salary for the period £16,752.

Johnstons of Elgin, a company of which Simon Cotton (trustee) is a director has donated £11,000 to the charity in the year (2021: £10,000).