

FAIR EARTH FOUNDATION

PERIOD ENDED 31 AUGUST 2020

FINANCIAL STATEMENTS

**SOMERBYS LIMITED
CHARTERED ACCOUNTANTS
30 NELSON STREET
LEICESTER
LE1 7BA**

Chairman

Edwin Bentham

Trustees

Edwin Bentham
John Wright
Catherine Hipkin

Offices

43 High Street
Market Harborough
Leicestershire
LE16 7AQ

Independent Examiner

A West
Somerbys Limited
30 Nelson Street
Leicester
LE1 7BA

**TRUSTEES' ANNUAL REPORT
PERIOD ENDED 31 AUGUST 2020**

Administration Details

Fair Earth Foundation is registered with the Charity Commission and constituted as a Charitable Incorporated Organisation dated 11 May 2017. It commenced operating in October 2019.

Structure, Governance and Management

The Charity is administered by the Trustees as listed on page 1. The Trustees are satisfied with the results for the year, the level of reserves and the ability of the Charity to meet its liabilities when they fall due.

Trustees

Details of the Trustees can be found on page 1.

Appointment of Trustees

Trustees must be appointed by a resolution passed at a properly convened meeting of the charity trustees. In selecting individuals for appointment, the charity trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO.

Public Benefit

The trustees confirm that they 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.

Reserves Policy

It is the policy of the Trustees to maintain unrestricted funds, which include the free reserves of the Fund, at a level which, in the event of a significant fall in income, would provide sufficient resources to meet the ongoing operating expenditure.

Risk Management

The Trustees continue to assess the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to these risks.

Update on Activities

- The Fair Earth Foundation CIO was established at the behest of the Charities Commission to assume the more 'global' aspects of the AWdF. It started (financial) operation in October 2019 with the launch of the London Eco-Film Festival.
- The Foundation has number of key remits:
 - To run the London Eco Film Festival. This is an all year programme building to the main event. It engages with disadvantaged communities across the UK through its Art & Nature programme, as well as commanding a global audience. In 2019 over 3000 films were submitted.
 - To build a global volunteering programme with conservation, nature and community at its heart. Programmes in Tenerife, Vietnam, Sri Lanka, Sierra Leone.....

TRUSTEES' ANNUAL REPORT CONTINUED
PERIOD ENDED 31 AUGUST 2020

- To develop micro-financing, enterprise development and fair trade initiatives globally, including in the UK. The Foundation gives particular reference to creative enterprises as these favour disadvantaged groups and individuals.
- Income sources (Proposed)
 - AWdF: Transfer of responsibilities for global volunteering to Fair Earth Foundation. Contribution to London Eco-Film Festival. (2019 total cost £60,000+. In future the Fair Earth Foundation should bare the brunt of the cost, mainly through income generation and sponsorships).
 - True Fair Trading CIC: Surpluses (£70,000 projected) generated through fair trade activities to be invested via Fair Earth Foundation into the disadvantaged communities it works with.
 - True Fair Eco Tourism CIC: Income (£50,000 projected) generated for communities around the world with which it works.
 - Volunteer incomes: Global volunteering (£50,000 projected) to be affected through programmes in Vietnam, Sri Lanka, Sierra Leone, Sao Tome and elsewhere.
 - Sponsorships: £200,000 projected
 - Fundraising: £50,000 projected
 - Grants: £250,000 projected (Erasmus funding alone should generate this sum.)

Income projections are for £750,000 within the next two years with £200,000 projected for 2019/2020 and £500,000 for 2022/2021. The impact of Covid-19 and especially lockdown in March completely wiped out these projections, with income simply falling off a cliff.

The current situation is that there are significant funds available to help charities weather the storm and our efforts are directed towards securing these.

- Leff 2019 great success but plans 2020 greatly damaged by Covid-19. All income sources dried up and budgets have had to be slashed; the main event has been postponed to March 2021.
- Covid-19 impacts. Volunteer income, fundraising effort, True Fair Trading CIC (all trade shows cancelled including RHS Chelsea Flower Show), True Fair EcoTourism - ALL income collapsed, off cliff edge in March! This collapse of income has continued from Spring/ Summer to Autumn/ Winter. The situation remains tough. The main source of income available now is Covid-19 support grants.
- Our response to the pandemic crisis has been robust:
 - Grants: We have applications in with Erasmus (EU), Arts Council, Lottery etc. We are extremely optimistic.
 - Volunteer recruitment focused on German and Dutch markets. We have signed a contract with the largest German volunteer organisation in the country which is already yielding results and should generate a substantial income flow. Our contacts in the Dutch education system are very strong.

TRUSTEES' ANNUAL REPORT CONTINUED
PERIOD ENDED 31 AUGUST 2020

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- On-line trading platforms (True Fair Trading CIC) will be ready for Christmas.
 - Lockdown has given us the opportunity to rethink our programmes and develop appropriate responses to the new situation in which we find ourselves. Of particular interest in our new Art & Nature Programme which has already attracted Lottery funding (pilot programme in Leicestershire) and we anticipate will attract substantial more funding in January as we roll the programme out across the country and the appointment of an Enterprise Director who is charged with building our funding base.
 - The last six months have been very difficult and the next six months will probably be equally so. The challenge is to overcome these difficulties and to forge ahead.

On behalf of the Trustees



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Edwin Bentham - Trustee

Date 25/09/2020

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES
PERIOD ENDED 31 AUGUST 2020**

I report to the charity trustees on my examination of the accounts of the charity for the period ended 31 August 2020 which are set out on pages 6 to 9.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

Independent examiner's report

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records

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.

A West
Somerbys Limited
30 Nelson Street
Leicester
LE1 7BA

Date

RECEIPTS AND PAYMENTS ACCOUNT
PERIOD ENDED 31 AUGUST 2020

	Notes	£	2020 £
Receipts and Payments:			
Income	1		89,616
Bounce back loan			<u>25,000</u>
			114,616
Expenditure:			
- Administrative costs	2		(3,248)
- Expenses	3		(1,890)
Project costs:			
- LEFF	4	10,150	
- Volunteer costs	5	37,936	
- Fair trade/Enterprise	6	<u>40,360</u>	
			(88,446)
Total expenditure:			
			<u>(94,584)</u>
Net movement of funds:			<u>21,032</u>
Opening cash position:		-	
Closing cash position:		<u>21,032</u>	<u>21,032</u>

STATEMENT OF ASSETS AND LIABILITIES
PERIOD ENDED 31 AUGUST 2020

	£	2020 £
Monetary Assets:		
Bank accounts:		
- Sterling	20,000	
- Euro	<u>1,032</u>	
		<u>21,032</u>
Monetary liabilities:		
- Somerbys	1,000	
- Bounce back loan	<u>25,000</u>	
		<u>(26,000)</u>
		<u><u>(4,968)</u></u>

These statements were approved by the Trustees on and signed on their behalf by:

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Edwin Bentham - Trustee

NOTES

PERIOD ENDED 31 AUGUST 2020

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- 1 Income for the year was £89,616. Main sources: AWdF- (£10,000 + €53,000); True Fair Eco Tourism CIC (€5,020); True Fair Trading CIC (£20,000); Volunteer Payments (£2,826 + €8,864); London Eco Film Festival (£501)
 - 2 Administration costs: £3,248 Postal costs; stationary; bank fees; internet, phone, software charges; vehicle use and an Independent examination fee of £1,000.
 - 3 Expenses: £1,890 petrol, travel, accommodation etc
 - 4 London Eco Film Festival: £10,150 speakers (from USA, Holland, Denmark, Slovenia etc); Volunteer logistics - accommodation, transport and sustenance; Promotion and marketing; Event logistics.....
 - 5 Volunteer Costs: £37,936 include: ECS conference, Sao Tome Humpback Whale Project visit; Research Equipment costs; volunteer logistics and payments including transfers to True Fair Eco Tourism CIC £14,988
 - 6 Fair Trade/ Enterprise: £40,360 Supporting fair trade projects in Portugal €10,023, Vietnam €7,794, Italy £1,056, logistics support- transport £4,250, Trade shows £7,500; and enterprise projects in Tenerife €2,500 (Film centre), enterprise awards £10,000