Friends of the Earth Charitable Trust
Report and Accounts
for the year ending 30 June 2020

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About Friends of the Earth

The natural world has experienced unprecedented disruption in recent years. And it is people as well as the environment that suffer as a result.

For nearly 50 years, we've been dedicated to the protection of the natural world and the wellbeing of everyone in it. Our international community brings together more than two million people in 73 countries, combining people power all over the world to make an even greater difference and transforming local actions into global impact.

We lead campaigns, provide resources and information and promote alternative solutions to create a cleaner, healthier and fairer world for everyone, for today and for generations to come.

In the UK, we've been responsible for making recycling not just a household word, but a household habit. We successfully campaigned for the world's first climate change law, the Climate Change Act 2008, which paved the way for similar legislation around the world. Our combined strength has meant we have been able to push back against drilling for fossil fuels, ensure legal protection from pesticides for bees, and most recently win our appeal against the expansion of Heathrow Airport.

Working together with local groups, experts, business leaders and politicians we push for change around the issues and causes that matter to you – protecting your home and local environment, promoting safe and healthy food and water across the globe and supporting alternative energy solutions that can change the world for the better. Whether you are a first-time supporter or a seasoned campaigner, we're with you every step of the way, supporting communities, defending human rights, protecting nature, moving mountains.

Together with us your voice is louder, your actions more significant and your impact greater. Together with you, we are determined to change the world for good.

Friends of the Earth England, Wales and Northern Ireland comprises Friends of the Earth Charitable Trust, a registered charity and company limited by guarantee, and Friends of the Earth Limited, a not-for-profit company limited by guarantee. For further details on our structure see page 17.

Chair's statement

Over the last year, the urgency needed in tackling the twin global crises of climate change and biodiversity loss has become all too clear.

Across England, Wales, Northern Ireland and Brazil, our grantees have maintained their focus on a better future while dealing with the COVID-19 pandemic.

COVID-19 has shown us not only how connected we are as a global community but also that we can come together to support each other. Behind the figures in this report are the supporters of Friends of the Earth Charitable Trust who, through these difficult times, have enabled us to support grantees that are helping to deliver change. Thank you all.

Over the past year Friends of the Earth Charitable Trust has funded activities to help catalyse action to secure a safer climate, flourishing nature and healthy air, water and food for the next generation.



Benedict Southworth
Chair

Chief Executive's statement

The past year has been one of extraordinary circumstances and change. And it has also been one in which the objects of Friends of the Earth Charitable Trust have never been more pressing.

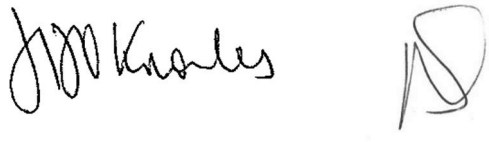
Over the course of 2019-20, the Charitable Trust was able to maintain strong fundraising efforts, diversify its range of grantees and make further strides in governance and operations.

Our Individual Giving programme in particular continued to flourish, with sector-leading cost per acquisition in social media contributing to a 6% growth in gifts and donations. While our fundraising saw a decline in March and April following the outbreak of the COVID-19 pandemic, the strength and resilience of our dedicated supporter base meant that performance had significantly improved by year-end. Our fundraising teams took a thoughtful and proactive response to the public health and economic crises, prioritising the wellbeing of our donors over financial gain.

This year Friends of the Earth Charitable Trust successfully diversified its range of grantees, allowing it to directly support environmental efforts at the local and global level. Alongside its largest grantee, Friends of the Earth Limited, grants were also awarded to a number of Climate Action Groups and members of Friends of the Earth's youth network via the Charitable Trust's Climate Action and Youth Action Funds. We also provided funding to Amigos da Terra Brasil (Friends of the Earth Brazil), helping protect nature and biodiversity not only at home but also abroad.

The Charitable Trust continued to progress its governance and operations following Friends of the Earth's restructure in July 2018. Alongside agreeing a resource sharing agreement with Friends of the Earth Limited that enables efficient and cost-effective collaboration between the two entities, we also invested significant resource in reviewing and updating our safeguarding policies and practices.

We are grateful to the dedication of our staff, supporters, partners and Trustees in making our work this year possible. Although the year ahead is certain to bring more uncertainties, with the pandemic ongoing and the economic situation likely to deteriorate further, Friends of the Earth Charitable Trust remains as determined as ever to further its mission.



Hugh Knowles and Miriam Turner
Interim Co-Chief Executives

Trustees' report

The Trustees are pleased to present their report, together with the financial statements, for the year ending 30 June 2020. The financial statements comply with current statutory requirements, the memorandum and Articles of Association and the Statement of Recommended Practice 2015 – Accounting and Reporting by Charities (FRS 102).

Our object and activities

Our purposes and aims

Friends of the Earth Charitable Trust is dedicated to achieving the following charitable objectives:

- The conservation, protection and sustainable use for the public benefit of the Earth's natural environment, including biodiversity, atmosphere, water, land and natural resources.
- The advancement of education for the public benefit and, in particular, the advancement of education in ecology, natural history, resource conservation, sustainable development and environment studies.
- The promotion of sustainable development for the benefit of the public by

  (i) the preservation, conservation and the protection of the environment and the prudent use of natural resources; and
  (ii) conducting or commissioning research and publishing the results of such research.

  'Sustainable development' means improving the quality of life while living within the carrying capacity of supporting ecosystems and the natural environment.

We aim to achieve these objects by funding work that falls within the categories of climate, nature and health. This report sets out how these objects were achieved in the year ending 30 June 2020, the proposals for the fulfilment of the charitable objects during 2020/21 and how we plan to fulfil the charitable objects for the public benefit in future years.

In carrying out its objects for the public benefit, Friends of the Earth Charitable Trust continues its long-term association with other Friends of the Earth environmental groups, both locally and internationally, in order to increase the effectiveness of its charitable work for the public benefit. This association is acknowledged within the Articles of Association that govern the charitable company.

Our grant making policy

All work funded by the Trust must fall within the charitable objects stated above and must comply with all legal and regulatory requirements for UK registered charities. We fulfil our charitable objects for the public benefit by providing grant funding to organisations with

purposes and aims similar to those of our charity. Trustees regularly review the most effective ways to further the charity's objects for the public benefit. Trustees agree the primary funding areas for each year and retain complete discretion to approve or reject any grant application. The Trustees aim to diversify the range of grantees to which it provides grant funding in future years.

The Trust has grant monitoring procedures in place to ensure that all charitable funds are spent solely on charitable activities to further the charitable objects in accordance with the conditions attached to the grant in the written grant agreement.

Public Benefit Statement

The Trustees recognise that the work of the charity seeks to provide long-term public benefit that will support communities, including the wider international community, in the years to come; the impact of the charity's work may not always be evident immediately in the year the work is carried out.

Our work to date has benefited the public by commissioning research, raising awareness, and campaigning on issues of major public concern including climate change, environmental protection, biodiversity and sustainable development. The Trust welcomes people from all sections of society as members or supporters and its campaigning and awareness raising on environmental matters is directed to all in society. The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit "Charities and Public Benefit".

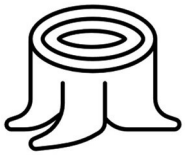
Our achievements in 2019/20

This year Friends of the Earth Charitable Trust was proud to fund a wide variety of activities that aimed to tackle the climate and ecological crises. Like all organisations, we have needed to adapt rapidly to the COVID-19 pandemic and have worked flexibly with grantees to support their activities through the crisis.

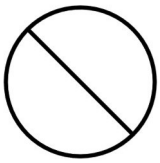
Without the support of our donors, funders and financial supporters, the activities and achievements we funded this year would not have been possible.



200 Climate Action Groups with 10 grants awarded



Amazon appeal supported FOE Brazil's campaign against rainforest destruction



A moratorium on fracking



Four grants awarded via our Youth Action Fund



Over 235,000 signed the petition for a UK Climate Action Plan



44 experiments and 5 pilots supported



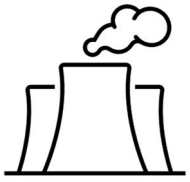
325,000 called on the government to phase out plastic pollution



Almost 12,000 campaigned against a UK-funded gas extraction project in Mozambique



12 local authorities pledged to double tree cover



157,000 took at least one online action on climate

Grassroots mobilisation

Friends of the Earth is a grassroots, people powered organisation, and we believe this approach is essential to achieving the transformational change we need to see. Our funding this year, a significant proportion of which came from our generous individual givers, aimed to support community and public mobilisation on the climate emergency.

Our grant enabled Friends of the Earth Limited to develop and support a network of over 200 Climate Action Groups across England, Wales and Northern Ireland. This fantastic achievement demonstrates communities' commitment to taking climate action in their area, with many of them already having begun to work with local authorities on developing Climate Action Plans. Our support also helped with upskilling the existing network of around 120 Friends of the Earth local groups, which work on key campaigns as well as issues of local importance. Although many of Friends of the Earth Limited's community group events were cancelled due to COVID-19, it was able to launch a new online training programme in response, with 40 sessions delivered between March and July.

With the climate emergency high in the public's awareness, our support enabled Friends of the Earth Limited to mobilise people on a mass scale with over 280,000 new supporters recruited. Many of these also took campaign actions, over 230,000 new activists in total, including 157,000 on climate. We also invested in the scoping of a new CRM system to support this growing movement, with a promising pilot already underway.

In addition, Friends of the Earth Charitable Trust was able to directly support 10 Climate Action Groups with discrete climate-related campaigning activities and events, for example a general election husting and a mutual credit campaign, via our Climate Action Fund. Following the outbreak of the coronavirus pandemic, we adjusted the Fund's criteria, allowing Climate Action Groups to invest in longer-term resources and merchandise while unable to carry out campaigning activities and events. We hope that more Climate Action Groups will request grants in future years, with 57% of the available funds used this year.

We also supported key youth events via our Youth Action Fund, enabling members of Friends of the Earth's youth network to participate in Young Friends of the Earth Scotland's Skill Share and the Local Conference of Youth. At the Conference, the young people we supported delivered a popular and well-received session on the environment and race, educating attendees on environmental racism, racism within the climate movement and ways to address it. Although take-up of the Youth Action Fund was low this year due to the pandemic, we hope that increasing numbers of young people will apply.

It is important that our funding goes towards groups and activities that are inclusive and representative of UK society. We are proud of the youth network we have supported and were pleased that Friends of the Earth Limited provided anti-racism and oppression lens training to staff who work with communities and networks this year. Yet there is still a long way to go before Friends of the Earth – its staff, activists and supporters – is the truly diverse movement we would like it to be. Investing in this will be a key priority for us in 2020/21.

Climate action

At Friends of the Earth, we want to halt climate breakdown and build a fairer, more sustainable world for all. This year we continued our investment in Friends of the Earth Limited's climate campaign, which aimed to secure UK-wide public support for a Climate Action Plan setting out bold solutions to the climate crisis.

Our biggest achievement, however, was the moratorium on fracking in November 2019, which secured a significant shift away from dirty fossil fuels and an essential step forwards in beating climate breakdown. The government's indefinite ban on fracking in England represented the culmination of over eight years of tireless and courageous campaigning by communities and anti-fracking groups across the UK, including Friends of the Earth. We are proud to have supported this momentous victory through our funding.

While the pandemic did delay Friends of the Earth Limited's ability to build support for its Climate Action Plan, our funding helped garner considerable backing, with around a third of prospective parliamentary candidates signing a #ClimateActionPledge to support policies that address the climate emergency. 109 of these became elected MPs from across the political spectrum. Over 235,000 people also signed a petition calling on the government to adopt the Climate Action Plan. Following the health crisis and the gross socio-economic inequalities it has exposed, we supported an update to the Climate Action Plan so that it focuses on a green and fair recovery.

The UK's own shift away from fossil fuels means nothing if the government continues to exploit other countries' natural resources for profit. Our funding supported work that pressured the government to stop funding fossil fuels abroad, in particular a new gas extraction project off the coast of Mozambique, with thousands lobbying the Secretary of State for International Trade on this issue.

Tree cover

The climate and ecological crises go hand in hand – one cannot be solved without the other. We continued our funding for Friends of the Earth Limited's campaign to double UK tree cover by 2045, an essential ask that will draw down carbon emissions, restore nature and provide a range of other benefits to the environment, health and wellbeing.

With over 58,000 new supporters taking action on trees, 172,000 petitioning the government to commit to doubling tree cover and 12 local authorities pledging to double tree cover in their area, the campaign achieved growing public support, although there is still much work to be done on securing this commitment. Friends of the Earth Limited also worked with a number of farmers pioneering agroforestry to develop case studies on this essential practice and has worked hard to cultivate allies, persuading large landowners and other key groups such as The Woodland Trust and The National Trust to back stronger targets, either nationally or on their own land.

Following the fires in August 2019, we launched an appeal and provided funding to Amigos da Terra Brasil (Friends of the Earth Brazil) to support their campaign against the

destruction of the Amazon rainforest. They partnered with Terra de Direitos (Land of Rights) and the Union of Rural Workers and Family Farmers of Santarém/Alenquer to document the stories of local communities' resistance to this exploitation and devastation. The investigation shed light on the threats to these communities and the natural world, including deforestation, mining, pesticide use and the displacement of farming families, traditional communities, quilombolas and indigenous people. Thanks to donations from our Amazon appeal, Friends of the Earth Brazil has also successfully helped halt a port construction project in Maicá, Santarém that directly threatened the way of life for the surrounding 12 quilombola communities, violated their rights and compromised the region's biodiversity.

Plastic pollution

Friends of the Earth has been tackling plastic pollution for a number of years; not only does plastic production damage our environment, threatening wildlife and spreading toxins, but it also contributes to global warming through its reliance on fossil fuels. Our continued funding of Friends of the Earth Limited's plastics campaign aimed to support a significant shift away from non-essential single-use and other polluting plastics.

Public opposition to plastics continued to rise, with 325,000 supporters petitioning the government to phase out plastic pollution and over 51,000 new activists mobilised by the campaign. The campaign also received over 20 endorsements from NGOs, businesses and faith groups such as Greenpeace, Water UK and the Muslim Council of Britain.

While our funding supported the launch of reusable takeaway tray schemes with three student unions, the work on reusable plastics with sports stadiums and catering contractors, including Tottenham Hotspur, The Oval and Compass-Levy, was heavily impacted by coronavirus and the cancellation of all sporting events. In general, the shift towards single-use plastics caused by the health crisis has presented significant challenges to tackling plastic pollution. However, over the year the campaign built support for plastic targets in the Environment Bill.

Innovation

We continued to support innovation, helping bring to life the next generation of sustainable programmes and initiatives. The work we funded this year focused on developing a substantial pipeline of hypotheses, experiments and pilots and increasing the number of external collaborators involved in experiments.

Along with the support of over 120 collaborators, we contributed to the development of 44 experiments and five pilots addressing a variety of issues relating to collective action around doubling tree cover. This year also saw the one-year anniversary of the UK's first Postcode Gardener and the scaling of the Own It pilot, a women's peer-to-peer network for greener personal finances.

Although COVID-19 halted progress on this innovation pipeline, in particular because it focused on bringing people together for collective action, our funding supported a project with Local Trust on developing future scenarios that might result from the crisis.

Our plans for 2020/21

Friends of the Earth Charitable Trust's role is as a grant-making organisation, harnessing public and partner funding to support organisations with objectives that further our mission.

In 2019/20, we were pleased to diversify the range of grantees to which we awarded funds, and this will continue to be a focus for us going forwards.

In August 2020 we approved a large operational grant application from Friends of the Earth Limited for charitable activities in 2020/21. Our funding will help build strength at a local level, enabling the urgent action needed to deliver fair solutions to the climate and ecological emergency.

Our support will contribute to:

- Reducing the UK's carbon emissions quickly and fairly through local climate action plans and national interventions.
- Creating support for justice-based responses to the ecological crisis.
- Building an inclusive organisation and network.
- Sustaining, growing and diversifying a movement strong enough to tackle the climate and ecological crises.
- Defending environmental rights and challenging environmental injustices particularly for the worst affected.

We will continue supporting local communities and young people in tackling the climate emergency through our Climate Action and Youth Action Funds. We have also launched another Amazon appeal to provide Friends of the Earth Brazil with further funding. We will look to fund other activities that support our objectives as they arise throughout 2020/21.

In the latter half of the year Friends of the Earth will also develop its next five-year strategy, ensuring that we remain at the forefront of change and progress as we tackle the climate and ecological crises. This strategy refresh will enable Friends of the Earth Charitable Trust to identify the kinds of campaigns and activities we wish to support in the coming years in order to further our charitable objectives.

Fundraising

Fundraising performance

In the year under review, the total income raised was £10.1m, a reduction on the £11.1m raised in the previous year, representing a decrease of 9.4%

Gifts and donations for the period totaled £4.6m, compared with £4.4m in the previous year. This equates to an increase of £163k, or 4% year on year. This is a result of fundraising investment in the previous year and strong performance in the Individual Giving programme, particularly new regular giver recruitment.

Legacy income totaled £1.53m, compared with £1.48m in the previous year. This demonstrates enduring identification with our cause and generosity from donors who wish to continue support for our mission in their name.

Grants received in the year decreased significantly as a result of the £2.40m one-off donation made to the organisation by Friends of the Earth Limited in the previous period, whilst we increased the value of gifts in kind we received, supplementing our cash income.

Our forecasts for 2020/21 predict an uncertain year for income generation due to the ongoing global COVID-19 crisis. The UK recession will pose challenges to our fundraising efforts, but it remains to be seen how deeply our donors, funders and partners will be impacted. In the first six months of the COVID-19 crisis, donations have broadly remained stable, demonstrating the commitment and motivation of our donors and funders to see the continuation of our cause. The breadth of our supporter base provides a fair amount of financial resilience as we head into the uncertainty of the next 12 months.

We will continue work on reaching and engaging with new audiences motivated to tackle the climate and ecological crisis with financial contributions. There remains high awareness and concern for environmental issues, with a particular desire to ensure a green and fair recovery from the COVID-19 crisis. Friends of the Earth Charitable Trust's grant-giving will continue to further this vital work, thanks to the ongoing generosity of our donors.

Regulation

We are registered with the Fundraising Regulator and continue to be a member of both the Chartered Institute of Fundraising and the Direct Marketing Association.

We continue to monitor and respond to developments in fundraising regulation and all other relevant regulation, including the GDPR.

We continue to adhere to the highest standards of practice in fundraising, data protection and communications.

Financial review

Overall financial performance

Friends of the Earth Charitable Trust made a surplus for the year, with income exceeding expenditure by £367k. This means that at the end of the year the organisation's reserves levels are £2.2m.

In the latter quarter of the year, the UK was in lockdown due to COVID-19. This adversely affected our ability to fundraise in the final quarter, although thankfully our fundraising performance was good in the earlier part of the year. Income at year-end was £10.1m, a reduction of £1m from the previous year.

Expenditure was £9.7m, a decrease from £10.6m in the previous year. The main area of expense was the grant to Friends of the Earth Limited, totalling £7.5m. The grant for 2019/20 included an additional £1m due to the COVID-19 pandemic. The remaining expenditure related to our fundraising activities and office costs.

The majority of our income is from individuals – whether through regular giving, one-off donations or transformational legacy gifts. We remain grateful to the many individuals who contribute to our cause, without whom our important work would not be possible.

Employee costs are detailed in Note 8, but this does not account for the extraordinary contribution made by our volunteers, who support the organisation in many ways and without whom we could not achieve so much.

Reserves policy

Trustees take a risk-based approach to reserves, aiming to hold unrestricted reserves equating to between two and four months of budgeted operating expenditure. Operating expenditure excludes payments of grants to other organisations.

The budgeted expenditure for the financial year meant that this unrestricted fund target was £0.3m to £0.6m. At the end of the financial period, unrestricted reserves are above this range at £2.2m.

As we move into 2020/21, concerns about the economic effect of COVID-19 persist. Trustees are mindful of the need to retain appropriate reserves levels; however, we still need to invest in the future of the organisation and will be investing reserves in organisational strengthening initiatives in the coming year.

Investment policy

The charity has an ethical investment policy to ensure that its investments do not conflict with its aims. The primary objective of the policy is to ensure that the current value of reserves is, as a minimum, maintained. It is expected that the majority of investments will be in cash or near cash holdings. During the year, the Trust did not have any investments.

Our people

Staff and volunteers

Friends of the Earth employs around 170 staff, with offices in London, Belfast, Cardiff, Birmingham, Leeds, Manchester, Bristol and Brighton. Staff costs are detailed in Note 8 to the accounts. Trustees, together with the Board of Friends of the Earth Limited, are in the process of recruiting a new CEO, who will be central to developing our next five-year strategy. Alongside our staff body, we are also indebted to the invaluable service of our volunteers.

Gender pay gap

Information on our gender pay gap as of 30 June 2020 can be found below:

Median
The median gender pay gap (the middle value of hourly rates) for all staff was 3.16% in favour of women. For full-time staff the gap was 3.15% and for part-time staff it was-11.97%, both in favour of women.

Mean
The mean gender pay gap (the average hourly rate) for all staff was 0.08% in favour of men. This is as a result of the rewards review process that was completed in 2018.

Salary quartile
The proportion of men and women across the four salary quartiles is as follows:

Quartile	Female	Male
Lower Quartile	59%	41%
Lower Middle Quartile	60%	40%
Upper Middle Quartile	60%	40%
Upper Quartile	55%	45%
Total	**59%**	**41%**

Friends of the Earth does not award bonuses.

These positive figures are a testament to our commitment to equality and social justice.

Equality, Diversity & Inclusion

Friends of the Earth is fully committed to championing equality, diversity and inclusion and to continuously learning how to increase the diversity of our people and network, including our Trustees, staff, volunteers and supporters.

Over the past few years, we have made progress in several areas, but in all areas we can improve. With this in mind, one of our key objectives in 2020/21 is to create an anti-racist organisation and culture for all staff and volunteers.

Our policies

Ethical policies

Friends of the Earth maintains a set of policies designed to ensure high ethical standards in all aspects of our operations. In 2019 we commissioned an external consultant to review our safeguarding policies and procedures. The findings were reviewed by Trustees in February 2020 and the recommendations are in the process of being rolled out, including an updated suite of policies and training for staff and Trustees. This year we have also updated our grievance policy and introduced policies on whistleblowing and staff conflicts of interest, including gifts and hospitality.

Environmental policies

Friends of the Earth is committed to practising what we preach. Alongside our Cycle to Work scheme, our Climate Perks policy, introduced in July 2019, provides staff with up to two days of paid annual leave per year if they opt for more carbon friendly travel options when on holiday. Other environmental policies include our travel policy, which encourages active travel and prohibits short haul flights unless the carbon emissions are demonstrably lower than other modes of transport, and our policy that our offices use 100% renewable energy. We seek out sustainable and ethical suppliers and plan to update our procurement policy in 2020/21.

Governance

Structure, governance and management

Friends of the Earth comprises two separate legal entities operating under a regulated dual structure arrangement. Friends of the Earth Charitable Trust operates in England, Wales and Northern Ireland as a fundraising and grant-making charity. It is regulated by the Charity Commission and is registered with Companies House. During the year, it granted funds for charitable activities to Friends of the Earth Limited, a not-for-profit company with independent directors. Friends of the Earth Limited undertakes all campaigning and activism on behalf of Friends of the Earth and is responsible for people, finance and operations. The two entities share staff, certain resources and a brand, allowing both organisations to achieve their objectives in a cost-effective manner.

Trustees serve a three-year term that can be renewed twice, so that a maximum of nine years can be served. Trustees typically serve two three-year terms and are the company members alongside being trustees. Trustee recruitment is guided by the overall composition and skills mix of the Board; vacancies are advertised and a recruitment pack sent to all prospective candidates.

All new Trustees receive a comprehensive induction and an induction pack containing all key governance documentation for the charity as well as copies of Charity Commission guidance including (not exclusively) CC3 “The Essential Trustee”, CC20 on charitable fundraising, The Charity Commission Trustee welcome pack, Guidance on public benefit, guidance on charities connected with non-charities and CC9, Charities and Campaigning. Trustees are also provided with an introduction to the Charity Governance Code. Further training is offered as appropriate on an ongoing basis. During the period, all Trustees receive updates on relevant legal and regulatory issues.

The Board normally meets four times a year and has as its principal roles determining mission, policy and strategy and monitoring organisational and grantee performance.

Risk management

The Chief Executive, Trust Director and Company Secretary work closely with their respective teams and have identified the risks to which the organisation may be exposed and ranked these by significance and likelihood. Material risks, together with current mitigation actions, are reviewed each quarter by Trustees. The Trustees are satisfied that systems have been developed and are in place to mitigate identified risks to an acceptable level.

The principal risks and uncertainties facing the charity moving forward are as follows:

- Income generation and sustainability. The organisation has benefitted to date from a loyal and generous core supporter base. Over-reliance on these supporters and unpredictable sources of income risks the financial stability in the medium to long term. A new focus on engaging a wide range of supporters with Friends of the Earth has begun. The aim is to ensure that we attract new diverse supporters as

well as ensuring that those who have supported us to date continue to engage with us on a variety of levels. Further exploration of multi-year grant funding opportunities and other partnerships are also underway.

- Grant giving. Achieving our charitable objectives is of course the reason for our existence. Ensuring that these are delivered with minimum risk by the organisations that we provide grants to is vital. We therefore have a grant making process that incorporates stringent conditions and reporting to ensure that the grantee uses the funds for our charitable purposes.

Trustees' responsibilities

The Trustees (who are also directors of Friends of the Earth Charitable Trust 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 period that 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 and FRS102.
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards 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 charitable company will continue in business.

The Trustees are responsible for keeping proper 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.

In so far as we are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

Haysmacintyre have indicated their willingness to continue in office and offer themselves for re-appointment in accordance with the Companies Act 2006.

Reference and administrative details

Friends of the Earth Charitable Trust is a company limited by guarantee (registered 10 December 1980), not having a share capital, and is also a registered charity (registered 6 January 1981) governed by its memorandum and articles of association.

Company Registration Number: 01533942

Registered Charity Number: 281681

Registered office: The Printworks
1st Floor, 139 Clapham Road
London, SW9 0HP

Trustees

The Trustees, who are the Directors of the company for the purposes of the Companies Act, are responsible for setting policy and agreeing strategy. Trustees who held office during the period were:

F Butler
G Fawcett
L K Hand
J B Southworth

Chief Executive Officer: C Bennett (Resigned 7 February 2020)
H Knowles and M Turner (Appointed 7 February 2020)

Company secretary: N Siddiqi (Resigned 3 July 2019)
H Ashley-Taylor (Appointed 12 August 2020)

The day to day management is delegated to the Chief Executive Officer, the Senior Leadership Team (made up of employees selected for their expertise in the various activities of the organisation) and the Trust's other staff. The charity has its own Trust Director who serves as an independent governance secretary to the Board of Trustees, supporting with meetings and charity governance matters affecting the Trust. The Trust Director reports to the Chair and the Trustees and has no other role in the charity or any of its grantees.

Auditor

Haysmacintyre LLP, Chartered Accountants
10 Queen Street Place
London, EC4R 1AG

Bankers

Co-operative Bank plc
Manchester Business Centre
1 Balloon Street
Manchester, M60 4EP

Solicitors

Bates Wells & Braithwaite
10 Queen Street Place
London, EC4R 1AG

Approved by the Trustees on 3rd December 2020 and signed on behalf of the Board,



B Southworth
Chair

Independent Auditors Report to the Members and Trustees of Friends of The Earth Charitable Trust

Opinion

We have audited the financial statements of Friends of the Earth Charitable Trust for the period ended 30 June 2020 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group and parent charitable company's affairs as at 30 June 2020 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page XX, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group and parent charitable company or to cease operations, or have no realistic alternative but to do so.

Independent Auditors Report to the Members and Trustees of Friends of The Earth Charitable Trust – cont.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group or parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditors Report to the Members and Trustees of Friends of The Earth Charitable Trust – cont.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees Report (which incorporates the Strategic Report and Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees Report (which incorporates the Strategic Report and the Directors' Report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees Report (which incorporates the Strategic Report and the Directors' Report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Adam Halsey (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditors Dated: 16 December 2020

10 Queen Street Place
London
EC4R 1AG

Statement of Financial Activities

	Notes	Unrestricted Funds	Restricted Funds	2020	2019
		£	£	£	£
Income					
Donations and Legacies	**2**	7,486,274	390,548	7,876,822	9,029,288
Charitable activities	**3**	1,895,249	269,335	2,164,584	2,102,191
Other trading activities	**4**	70,788	-	70,788	33,931
Investments	**5**	12,765	-	12,765	15,230
Total Income		**9,465,076**	**659,883**	**10,124,959**	**11,180,640**
Expenditure					
Raising funds		947,634	-	947,634	816,279
Charitable activities	**6,7**	8,150,533	659,883	8,810,416	9,769,372
Total expenditure	**8-11**	**9,098,167**	**659,883**	**9,758,050**	**10,585,651**
Net movements in funds		**366,909**	**-**	**366,909**	**594,989**
Funds brought forward		1,826,184	-	1,826,184	1,231,195
Funds at 30 June 2020	**18**	**2,193,093**	**-**	**2,193,093**	**1,826,184**

Balance Sheet
As at 30 June 2020

	Notes	2020 £	2019 £
Fixed Assets			
Tangible fixed assets	**13**	639,688	724,307
Investments	**14**	248,029	248,029
		887,717	**972,336**
Current Assets			
Debtors	**15**	364,167	283,533
Short term deposits and cash in hand		1,437,039	848,977
		1,801,206	**1,132,510**
Creditors - due within one year	**16**	**(495,830)**	**(278,662)**
Net Current Assets		**1,305,376**	**853,848**
Net Assets		**2,193,093**	**1,826,184**
Funds			
Unrestricted general funds		1,826,184	1,826,184
Restricted funds	**17**	-	-
Surplus for the year		366,909	-
Total Funds	**18**	**2,193,093**	**1,826,184**

The accounts on pages 24 to 41 were approved by the Trustees on the 3rd December 2020 and were signed on their behalf by:



B Southworth
Chair

Statement of Cash Flows

	Notes	2020 £	2019 £
Cash flows from operating activities			
Net cash provided from / (used in) operating activities		575,297	(675,549)
Cash flows from investing activities			
Dividends, interest and rents from investments		12,765	15,230
Purchase of property, plant and equipment			
Proceeds from sale of property, plant and equipment			
Purchase of investments			
Net cash from investing activities		**12,765**	**15,230**
Net increase / (decrease) in cash and cash equivalents		**588,062**	**(660,319)**
Cash and cash equivalents at beginning of year		**848,977**	1,509,296
Cash and cash equivalents at end of year		**1,437,039**	**848,977**

Reconciliation of net income to net cash from / (used in) operating activities

	2020 £	2019 £
Net income for the year	366,909	594,989
Adjustments for:		
Dividends, interest and rents from investments	(12,765)	(15,230)
Depreciation charges	84,619	96,537
(Increase) / decrease in debtors	(80,634)	92,108
Increase / (Decrease) in creditors	217,168	(1,443,953)
Net cash provided from / (used in) operating activities	**575,297**	**(675,549)**

Analysis of cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	1,437,039	848,977

Notes to the Accounts

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP 2015), applicable to charities preparing their accounts in accordance with section 1A of the Financial Reporting Standard 102 applicable in the UK and Republic of Ireland (FRS 102), and the Companies Act 2006.

Friends of the Earth Charitable Trust meets the definition of a public benefit entity under FRS 102 as set out on page 7.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant account policy notes.

This charity works closely with its sister company Friends of the Earth Limited. As at the balance sheet date, the board of the two companies are separately controlled and no consolidation takes place in reflection of this arrangement.

Preparation of accounts on a going concern basis

The review of Friends of the Earth Charitable Trust's financial position, reserves levels and future plans gives Trustees confidence that the charity remains a going concern for the foreseeable future. There are no material uncertainties about the charity's ability to continue in operational existence.

Critical accounting judgements and estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the charities accounting policies and the reported assets, liabilities, income and expenditure and the disclosures made in the financial statements. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Income recognition

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

Donations and legacies

These are included in full in the statement of financial activities earnings when there is entitlement, probability of receipt and the amount of income receivable can be measured reliably.

Notes to the Accounts – cont.

Gifts in kind

Gifts in kind represent assets donated for distribution or use by the charity. Assets given for distribution are recognised as income only when distributed. Assets given for use by the charity are recognised when receivable. Gifts in kind are valued at the amount actually realised from the disposal of the assets or at the price the charity would otherwise have paid for the assets.

Grants

Grants are recognised in full in the statement of financial activities in the period in which the charity has entitlement to the income, the amount of income receivable can be measured reliably and there is probability of receipt.

Income from charitable activities

Income from charitable activities is recognised as earned as the related services are provided. Income from other trading activities is recognised as earned as the related goods are provided.

Investment income

Investment income is recognised on a receivable basis once the amounts can be measured reliably.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Cost of raising funds includes costs incurred in seeking voluntary donations, as well as those incurred in recruiting new financial supporters. It does not include the costs of disseminating information in support of the charitable activities.

Expenditure on charitable activities comprises all direct costs incurred in pursuance of the Trust's objectives, as well as the costs of disseminating information in support of the charitable activities, allocated costs and support costs. Allocated costs are those of capacity building and regional networks which are directly working towards achieving our aims. Support costs comprise those services provided centrally which are identifiable in support of direct charitable purposes, including staff, IT, premises, facilities and other office costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred. The costs of this to the organisation in 2019/20 was £151k.

Notes to the Accounts – cont.

Allocation of costs

Staff costs are allocated between direct charitable expenditure and support costs based on the time spent on these activities. Other costs are allocated directly to the relevant heading.

Operating leases

Rental charges are charged on a straight-line basis over the life of the lease.

Investments

Investments are a form of basic financial instruments and are initially shown in the financial statements at market value. Movements in the market values of investments are shown as unrealised gains and losses in the statement of financial activities.

Profits and losses on the realisation of investments are shown as realised gains and losses in the statement of financial activities. Realised gains and losses on investments are calculated between sales proceeds and their opening carrying values or their purchase value if acquired subsequent to the first day of the financial period. Unrealised gains and losses are calculated as the difference between the fair value at the period end and their carrying value. Realised and unrealised investment gains and losses are combined in the statement of financial activities.

Fixed assets

Fixed assets are stated at cost or deemed cost (donated valuation at estimated fair value) less accumulated depreciation and impairment losses. Assets are depreciated in equal annual instalments over their estimated useful lives as follows:

Fixtures, fittings and leasehold improvements	Over the term of the lease
Furniture	10 years
Office equipment	4 years
Computers	3 years
Computer software	4 years

Creditors and provisions

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

Notes to the Accounts – cont.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments, including trade and other debtors and creditors are initially recognised at transaction value and subsequently measured at their settlement value.

Funds

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustees for the objects of the charity. Restricted funds are those that are to be used according to specific instructions imposed by donor or trust deed. Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Employee benefits

Short-term benefits including holiday pay are recognised as an expense in the period in which the service is received.

Friends of the Earth operates a defined contribution pension scheme for the benefit of its employees. The assets of the scheme are held independently from those of Friends of the Earth Charitable Trust in an independently administered fund. The pensions costs charged in the financial statements represent the contributions payable during the period.

Foreign currency translation

The charities functional and presentation currency is pound sterling. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are recognised in the statement of financial activities.

Legal status

Friends of the Earth Charitable Trust is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

Notes to the Accounts – cont.

2. Income from donations and legacies

	2020	2019
	£	£
Gifts and Donations	4,577,467	4,414,520
Legacies	1,530,312	1,480,509
Grants (a)	1,406,059	2,785,996
Donated services and goods (Gifts in Kind) (b)	362,984	348,263
Total	**7,876,822**	**9,029,288**

(a) We received a donation of £700,000 (2018/19: £2,400,000) from Friends of the Earth Limited.
(b) We continued to receive a grant for our search engine advertising from Google Ireland, worth £307,508 (2018/19 £288,133).

3. Income from charitable activities

	2020	2019
	£	£
Membership subscriptions and sponsorships	1,863,621	1,669,620
Restricted grants (a)	269,335	446,154
Other (b)	31,628	(13,582)
	2,164,584	**2,102,191**

(a) Restricted grants received during the period included those from the Big Lottery Fund for £205,772 (2018/19: £200,615).
(b) Included within other income are furlough grants of £25,765 (2018/19: £nil) received under the Coronavirus Job Retention Scheme.

4. Income from other trading activities

We raised funds from community and challenge events and sponsorship totalling £4,952 (2018/19: £2,487). The donations received as a result of the community events organised by Friends of the Earth Limited were £61,887 (2018/19: £25,840). Gift Aid income relating to these events was £2,663 (2018/19: £5,604). There were merchandising sales of £1,286 in the year (2018/19: £nil).

Notes to the Accounts – cont.

5. Income from investments

Investment income was bank interest of £12,404 (2018/19: £14,779) and dividends of £361 (2018/19: £451).

6. Analysis of direct charitable expenditure

	2020	2019
	£	£
Grants given	7,540,000	8,954,739
Direct costs	-	(37,206)
Support costs	1,270,416	851,839
Charitable activities	**8,810,416**	**9,769,372**

7. Analysis of support costs

	2020	2019
	£	£
Finance	1,236,508	815,912
Governance costs	33,908	35,927
	1,270,416	**851,839**

Governance costs include:

	2020	2019
	£	£
Board meetings, training, recruitment and Trustees expenses	540	759
Audit Fee	9,625	10,000
Legal & professional costs including Indemnity Insurance	23,743	22,123
Staff time allocated to support Board	-	3,045
	33,908	**35,927**

Notes to the Accounts – cont.

8. Employee costs

	2020	2019
	£	£
Salaries	789,346	712,294
National Insurance	76,557	69,774
Pension	41,485	34,211
	907,388	**816,279**

The average number of employees during the period was 169 (2018/19: 173), jointly employed with Friends of the Earth Limited. Friends of the Earth Charitable Trust contributes the share of employee costs corresponding to fundraising activity undertaken for the Charitable Trust by those jointly employed members of staff only.

The average number of employees active on the charity's work during the period, analysed by function was:

	2020	2019
	No's	No's
Programmes	108	110
Fundraising and supporter engagement	27	28
Support, management and administration	34	35
	169	**173**

Friends of the Earth operates a Group Personal Pension Plan for the benefit of its employees. This is a defined contribution scheme and is administered separately from the Charitable Trust. In 2019/20 the Charitable Trust matched contributions made by employees up to 7% of their salary (2018/19: 7%) and these costs are charged to the statement of financial activities.

All of the members of staff with emoluments in excess of £60,000 were jointly employed by Friends of the Earth Charitable Trust and Friends of the Earth Limited and their salary costs were split between them according to time spent. The table below shows the range of total emoluments received by higher paid staff. Emoluments include gross pay, taxable benefits and benefits in kind.

Notes to the Accounts – cont.

8. Employee costs – cont.

	2020	2019
	No's	No's
Number of employees who earned		
- between £60,000 and £69,999	2	1
- between £70,000 and £79,999	1	3
- between £90,000 and £99,999	1	-
- between £100,000 and £109,999	-	1

The total emoluments paid to the 11 senior management staff were £700,363 (2018/19: £554,783).

The Trustees consider that the senior management team are the key management personnel of the charity running and operating the charity on a day-to-day basis.

The Trustees policy is to benchmark all staff salaries to the median point of the range for similar roles in similar charities of similar sizes. This includes the senior management team. In addition, we are an accredited living wage employer and we promote equality, inclusion and diversity at work. For more information, see our website: https://www.foe.co.uk/page/our-commitment-diversity.

9. Analysis of total expenditure

	2020	2019
	£	£
The surplus for the year is after charging:		
Depreciation	84,619	96,537
Auditors - audit	9,625	10,000
Auditors - other	3,300	51,720
Irrecoverable VAT	151,377	96,116
Payments under operating leases (note 12)	503,604	333,342

In common with most charities, Friends of the Earth Charitable Trust is unable to reclaim all of its input VAT. In the current period this amounted to £151,377 (2018/19: £96,116).

10. Trustees' remuneration and expenses

Trustees are not allowed to be paid for their services nor may they be paid employees. No Trustees have any interests in the company. 1 trustee was reimbursed for travel and incidental expenses in the period totalling £540 (2018/19: 2 trustees, £759).

Notes to the Accounts – cont.

11. Corporation tax

Friends of the Earth Charitable Trust Limited is a registered charity and as such can claim exemption from corporation tax on its income under Part 11 of the Corporation Taxes Act 2010 and on its capital gains under section 257 of the Taxation of Chargeable Gains Act 1992.

12. Operating leases

The company leases property on short-term leases. The rents paid on these leases, and a share of others, were £503,604 (2018/19: £333,342) and are subject to re-negotiation at various intervals specified in the leases. The total commitments remaining, up to the break clause, are as follows:

	2020	2019
Payments due:	£	£
Not later than one year	295,521	487,060
Later than one year and not later than five years	633,813	1,207,467
Later than five years	-	
Total	**929,334**	**1,694,527**

Notes to the Accounts – cont.

13. Fixed assets

	Long Leasehold Improvements	Fixtures, fittings and Office Furniture	Computer and Office Equipment	Computer Software	Total
Cost	**£**	**£**	**£**	**£**	**£**
Balance at 1 July 2019	995,933	228,798	66,200	129,704	1,420,635
Additions	-	-	-	-	-
Disposals	-	(43,046)	(5,255)	-	(48,301)
Balance at 30 June 2020	995,933	185,752	60,945	129,704	1,372,334
Depreciation					
Balance at 1 July 2019	352,342	152,794	61,488	129,704	696,328
Charge in the period	66,796	15,365	2,458	-	84,619
Disposals	-	(43,046)	(5,255)	-	(48,301)
Balance at 30 June 2020	419,138	125,113	58,691	129,704	732,646
Net Book Value					
At 30 June 2020	**576,795**	**60,639**	**2,254**	**-**	**639,688**
At 30 June 2019	**643,591**	**76,004**	**4,712**	**-**	**724,307**

The Trust also owns approximately one acre of woodland, near Bathampton, which lies within an area of special scientific interest and is managed by Bath and Somerset wildlife trust.

Notes to the Accounts – cont.

14. Investments

We hold a shareholding of 1,200 in the Triodos Renewables fund, given to us as part of a legacy, held at £1.80 per share. In 2013/14, we invested in 5,869 shares from Spirit of Lanarkshire Energy Co-op at £1 per share, offered to the public to fund development of a wind farm. In 2015/16 we invested £200,000 in an Ecobond, from Ecotricity for building new sources of green energy, receiving 6% annual interest. In 2017/18, we invested in shares worth £40,000 (21.6% share) in Friends of the Earth (Birmingham) Limited. These are held at best estimate of fair value as there is no active market.

15. Debtors

	2020	2019
	£	£
Trade debtors	1,615	940
Income tax recoverable (Gift Aid on donations received)	91,422	94,611
Prepayments and accrued income	271,130	170,171
Other debtors	-	17,811
	364,167	**283,533**

16. Creditors – due within one year

	2020	2019
	£	£
Trade creditors	449,267	112,643
Accruals	40,627	138,791
Other creditors	5,936	27,228
	495,830	**278,662**

Notes to the Accounts – cont.

17. Restricted funds

Restricted funds (2019/20)

	Balance 1 July 2019	Incoming & Transfers	Resources Outgoing	Balance 30 June 2020
	£	£	£	£
Big Lottery Fund: Our Bright Future	-	204,797	204,797	-
Phil Michaels' Legal Intern Fund	-	33,313	33,313	-
Sainsbury's - Divestment	-	104,475	104,475	-
School of Sustainability	-	21,276	21,276	
Climate Ambition	-	268,940	268,940	-
Plastics	-	10,000	10,000	-
Trees	-	16,250	16,250	-
Bees	-	500	500	-
Greener Streets	-	332	332	-
Total	**-**	**659,883**	**659,883**	**-**

Restricted funds are received to fund specific pieces of work – most commonly a specific campaigning strand. In the year the largest of these received related to the My World My Home project supporting and educating young people funded by the National Lottery Community Fund. By the end of the financial year all of these restricted funds had been granted to organisations to carry out the funded activity.

Notes to the Accounts – cont.

17. Restricted funds – cont.

Restricted funds (2018/19)

	Balance 1 July 2018	Incoming & Transfers	Resources Outgoing	Balance 30 June 2019
	£	£	£	£
The National Lottery Community Fund – Our Bright Future	-	200,615	200,615	-
European Climate Foundation	-	40,000	40,000	-
Julia Davies – Youth Climate Work	-	10,000	10,000	-
Julia Davies – Plastics	-	179,288	179,288	-
Big Give	-	105,721	105,721	-
Phil Michael's Legal Interns Scholarship Fund	50,018	22,426	72,444	-
Mellor	-	27,221	27,221	-
Plastics	-	32,000	32,000	-
Ashden Trust, Mark Leonard Trust and JJ Charitable Trust: Divestment	31,403	59,850	91,253	-
Climate Ambition	-	60,846	60,846	-
JMG Foundation	24,561	-	24,561	-
Green Alliance – Repeal Bill/Brexit	25,363	-	25,363	-
M Edge	100,000	-	100,000	-
Restricted donation Fossil Fuel	100,000	-	100,000	-
Rachel Rowlands	-	15,000	15,000	-
Other restricted income	-	12,273	12,273	-
Total	331,345	765,240	1,096,585	-

Notes to the Accounts – cont.

17. Restricted funds – cont.

The other restricted income included grants broadly restricted to our programmes. The restricted funds were received for the following charitable activities:

	2020	2019
Charitable activities	**£**	**£**
Climate	492,470	311,937
Nature	145,805	326,809
Health	-	110,721
Other	21,608	15,773
	659,883	**765,240**

18. Analysis of net assets between funds

Analysis of net assets between funds (2019/20)

	Unrestricted funds	Restricted funds	**Total Funds**
	£	£	**£**
Fixed Assets	887,717	-	**887,717**
Net current assets	1,305,376	-	**1,305,376**
	2,193,093	**-**	**2,193,093**

Analysis of net assets between funds (2018/19)

	Unrestricted funds	Restricted funds	**Total Funds**
	£	£	**£**
Fixed Assets	972,336	-	**972,336**
Net current assets	853,848	-	**853,848**
	1,826,184	**-**	**1,826,184**

19. Liability of members

In the event of a winding up, each member of the company is liable to contribute an amount not exceeding £1. At 30 June 2020 the number of members was 4 (2018/19: 4).

Notes to the Accounts – cont.

20. Related party transactions

There were no related party transactions in the period.

21. Comparative Statement of Financial Activities 2018/19

	Notes	Unrestricted Funds	Restricted Funds	2019	2018
		£	£	£	£
INCOME					
Donations and legacies	**2**	8,710,202	319,086	9,029,288	7,538,535
Charitable activities	**3**	1,656,037	446,154	2,102,191	2,349,219
Other trading activities	**4**	33,931	-	33,931	14,630
Investments	**5**	15,230	-	15,230	13,919
TOTAL INCOME		10,415,400	765,240	11,180,640	9,916,303
EXPENDITURE					
Raising funds		816,279	-	816,279	2,186,774
Charitable Activities	**6,7**	8,672,787	1,096,585	9,769,372	9,437,238
TOTAL EXPENDITURE	**8-11**	9,489,066	1,096,585	10,585,651	11,624,012
NET MOVEMENT IN FUNDS		926,334	(331,345)	594,989	(1,707,709)
FUNDS BROUGHT FORWARD		899,850	331,345	1,231,195	2,938,904
FUNDS AT 30 JUNE 2019	**18**	1,826,184	-	1,826,184	1,231,195