

Ethical Consumer Research Association

MINUTES

from the Annual General Meeting

held on Saturday 23rd September at 2pm at Friends Meeting House Manchester

1. Members present

Staff members: Heather Webb (minutes), Georgina Rawes, Anna Clayton, Jane Turner, Elizabeth Chater, Ruth Strange, Tim Hunt, Joanna Long and Mackenzie Denyer.

Staff members attending via conference line: Rob Harrison.

Board members: Shaun Fensom (Chair), Ruth Rosselson.

Investor members (IM): John Grayson, Aqeel Kapasi, David Willis.

Investor members (IM) attending via conference line: Fiona Nichols, Rachel White, Scott Murray Keir, Susan Francis.

2. Apologies

Staff members: Josie Wexler and Leonie Nimmo.

Board members: Sam Kimmins, Dan Welch.

Investor members: Angela Cox, Jim Loder, Dick Venes and Rianne C. ten Veen.

3. Minutes of 2016 AGM

2016 minutes accepted as a true record.

4. Directors' report

It was a break-even year, with a small profit of £66. That hides better news of turnover growth of 13%. Subscriptions income was up 8%, and research and consultancy income was up 14%. We have also recruited three new researchers: Mackenzie Denyer, Clare Carlile and Francesca De La Torre.

Share capital at the year end was £412,700 and we have since had a further £40,000. Ethical Consumer is considered to be in a comfortable finance position, with net assets of £238,600.

IM: consultancy costs – what are these?

RH: buying in external consultants / consultancy project costs e.g. venue hire for events

TH: we manage two big projects for Lush which cost to deliver projects

SF: Would like to draw your attention to the fact that Ethical Consumer has broken even in a period of expansion. This shows that it is reinvesting profits. However, there is some logic in trying to create profit to try and offset the historical losses. Net current assets are a sign of our solvency – if we needed to pay all creditors off we could. The board is comfortable with these numbers, although it would like to see a larger profit than £66!

TH: Over the past year, the consultancy side of the business has been in the process of putting together a new work plan and strategy – increasing income and improving our reach. Our order book for consultancy is pretty much full for the this year. We should give a mention to Sam Kimmins (new non-executive director) and Simon Robinson (former marketing manager) who did a lot of ground work into the making this possible.

On the publishing side of the business, we have been tinkering with the publishing strategy. We are in a 3-year cycle for repeating buyers' guides instead of 2 years. We have also begun to develop a new website to

simplify things for consumers. We have also been implementing internal restructuring to better equip our business for growth.

SF: In summary, consultancy has increased significantly, publishing continues to grow organically, we are about to embark on a significant investment which we hope will improve sales and profitability. Good news. Congratulations to the staff for their hard work from the directors.

5. Audit – external accountants

SF: Ethical Consumer is exempt from reporting formal financial accounts due to its size. However, Ethical Consumer has to produce some accounts which are in an acceptable form for HMRC. Therefore we need to appoint auditors or declare that we do not need an auditor due to our size. This decision needs to be made at the AGM.

IM: We should make a formal statement on why we do not need an auditor.

SF: We do not make enough money therefore we do not need an auditor. Auditors are expensive.

IM (Scott) : Are there thresholds? ... are we anywhere near that threshold?

RH: I think the figure is £6.5m, so we are not near. This year we are not seeking to reappoint our auditors but proposing to appoint Third Sector Accountants. They are a new company formed with personnel from Slade and Cooper who worked on ECRA's account.

SF: I propose that we go with Third Sector Accountants.

RR / SR seconded the proposed:

1. Restatement that we do not require the Directors to organise an audit.

No objections. AGREED.

2. We appoint Third Sector Accountants as our accountants for the next year.

No objections. AGREED.

6. Re-election of directors of Ruth Rosselson and Dan Welch

No objections. Formally re-elected.

IM: What did we do to try and encourage investors for election?

SR: In the annual review we invited our investor members to nominate themselves if they wished to. 128 emails + hard copies to those who do not have emails. 2 years ago we had a formal election. Is it something you feel could be promoted more?

IM: yes I think it could be

SF: The board of directors will take your suggestion

IM: active promotion by Co-ops UK

IM: could try and improve communications for the next AGM

SR: we have added a new non-executive director

Thank you Ruth and Dan for being directors and your work with Ethical Consumer.

7. AOB

Next year's AGM

JT: would like the date of the AGM to be set early so that this can be communicated to investors.

SF: a regular date is a good thing to have. Venue needs to have conference line for next year's AGM.

Meeting closed at 2.45pm.