



**ETHICAL CONSUMER RESEARCH ASSOCIATION LIMITED
DIRECTORS' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

**Ethical Consumer Research Association Limited
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Ethical Consumer Research Association Limited
Society Information
For The Year Ended 31 March 2024

Directors

Rob Harrison
Shaun Fensom
Tim Hunt
Dan Welch
Francesca de la Torre
Alyson Tyler
Ruairidh Fraser
Shanta Bhavnani

Secretary

Rob Harrison

Society Number

30575R

Registered Office

Unit 21, 41 Old Birley Street
Manchester
M15 5RF

Accountants

Third Sector Accountancy Limited
Chartered Accountants and Registered Auditors
Holyoake House
Hanover Street
Manchester
M60 0AS

Ethical Consumer Research Association Limited
Society No. 30575R
Directors' Report For The Year Ended 31 March 2024

The directors present their report and the financial statements for the year ended 31 March 2024.

Review of the Business

In April 2024 ECRA successfully completed the major upgrade to ranking corporate ethical behaviour that we have been working on since 2022. Brands in our ranking guides now score out of 100, using refined categories, across all our core print and digital products.

The upgrade has been well received by customers and has also helped us towards our goal of being able to communicate our approach more effectively to more people. This would not have been possible without the support of our investor members who have enabled the co-op to function effectively during the two years of planned losses that this focus on R&D required.

Investor members have also helped us to resource other product development work that took place last year, including the extension of our Best Buy accreditation scheme to products not formally reviewed as part of a buyers' guide. This was launched in April 2024 too with an organic pasta brand from fellow-co-op SUMA.

In these accounts, it shows that the co-operative made a surplus of £3,139 during this period. If we subtract from this figure the £16,954 of interest paid on members' shares that can be found on page 8, we get to a revised loss figure of £13,185 which is more consistent with our long-standing reporting history. Given that we entered the year predicting losses of more than four times this amount, we feel this is a decent outcome given the circumstances.

We continue to hold £373,197 of net assets and substantial cash at bank to help us make these kinds of planned deficits without any short-term risks to the business. During the year investor share capital fell slightly to £560,746 with ten investor members leaving last year and three new ones joining.

Now that we have come to the end of these first two 'product development' years of our five-year plan, we are focussing for the next three years on generating the surpluses we need to offset these deficits and build up our reserves. This means that at ECRA we are entering a 'year of sales' which we are predicting will help us generate larger surpluses in the future.

We have also worked this year on bringing new skills and diversity onto our board. More information about this, and about some of our publishing and campaigning highlights, appears in our July 2024 Abbreviated Annual Review which is downloadable from our website here: www.ethicalconsumer.org/about-us/members-area

Directors

The directors who held office during the year were as follows:

Rob Harrison
Shaun Fensom
Tim Hunt
Dan Welch
Anna Clayton Resigned 21/09/2023
Jasmine Owens Resigned 21/09/2023
Francesca de la Torre

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Ethical Consumer Research Association Limited
Directors' Report (continued)
For The Year Ended 31 March 2024

Billy Saundry Resigned 25/08/2023
Alyson Tyler Appointed 21/09/2023
Ruairidh Fraser Appointed 21/09/2023
Shanta Bhavnani Appointed 21/09/2023

Statement of Directors' Responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Society law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under society law the directors 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 society and of the profit or loss of the society for that period. In preparing the financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the society will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the society's transactions and disclose with reasonable accuracy at any time the financial position of the society and enable them to ensure that the financial statements comply with the Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the society's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



Rob Harrison
Director

Date 16 / 08 / 2024

Ethical Consumer Research Association Limited
Accountant's Report
For The Year Ended 31 March 2024

Independent reporting accountant's report to the Directors on the unaudited accounts of Ethical Consumer Research Association Limited

We report on the accounts for the year ended 31 March 2024 set out on pages 5 to 12.

Respective responsibilities of the committee of management and the independent reporting accountant

The society's committee of management is responsible for the preparation of the accounts, and they consider that the society is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our procedures consisted of comparing the accounts with the books of account kept by the society and making such limited enquiries of the officers of the society as we considered necessary for the purpose of this report. These procedures provide the only assurance expressed in our opinion.

Opinion

In our opinion:

- the revenue account and balance sheet for year ended year are in agreement with the books of account kept by the society under section 75 of the Co-operative and Community Benefit Societies Act 2014;
- having regard only to, and on the basis of the information contained in the books of account, the revenue account and balance sheet for the year ended year comply with the requirements of the Co-operative and Community Benefit Societies Act 2014; and
- the society met the financial criteria enabling it to disapply the requirement to have an audit of the accounts for the year specified in section 84 of the Co-operative and Community Benefit Societies Act 2014.

Signed

Third Sector Accountancy Limited

Date 19 / 08 / 2024

Third Sector Accountancy Limited
Chartered Accountants and Registered Auditors
Holyoake House
Hanover Street

Ethical Consumer Research Association Limited
Revenue Account
For The Year Ended 31 March 2024

	Notes	2024	2023
		£	£
TURNOVER		930,850	901,869
Cost of sales		(318,377)	(330,869)
GROSS PROFIT		612,473	571,000
Administrative expenses		(617,138)	(585,278)
OPERATING LOSS		(4,665)	(14,278)
Other interest receivable and similar income		7,804	3,087
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		3,139	(11,191)

The notes on pages 8 to 12 form part of these financial statements.

Ethical Consumer Research Association Limited
Balance Sheet
As At 31 March 2024


	Notes	2024		2023	
		£	£	£	£
FIXED ASSETS					
Intangible Assets	5		95,557		89,520
Tangible Assets	6		5,087		5,661
Investments	7		30,928		31,362
			<u>131,572</u>		<u>126,543</u>
CURRENT ASSETS					
Stocks	8	500		500	
Debtors	9	186,000		114,248	
Cash at bank and in hand		547,396		596,474	
			<u>733,896</u>		<u>711,222</u>
Creditors: Amounts Falling Due Within One Year	10		(492,271)		(441,692)
			<u>241,625</u>		<u>269,530</u>
NET CURRENT ASSETS (LIABILITIES)			241,625		269,530
TOTAL ASSETS LESS CURRENT LIABILITIES			373,197		396,073
NET ASSETS			373,197		396,073
CAPITAL AND RESERVES					
Members' Shares	11		559,477		568,538
Profit and Loss Account			(186,280)		(172,465)
SHAREHOLDERS' FUNDS			373,197		396,073

The notes on pages 8 to 12 form part of these financial statements.

For the year ending 31 March 2024 the society was entitled to disapply the requirement to have its financial statements for the financial year audited. The members passed a resolution in general meeting to disapply the audit requirement, as required by S84(2) Co-operative and Community Benefit Societies Act 2014.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.


 _____ Francesca de la Torre, Director


 _____ Rob Harrison, Secretary


 _____ Alyson Tyler, Director

16 / 08 / 2024 _____ Date

Ethical Consumer Research Association Limited
Statement of Changes in Equity
For The Year Ended 31 March 2024

	Share Capital	Profit and Loss Account	Total
	£	£	£
As at 1 April 2022	530,943	(142,998)	387,945
Loss for the year and total comprehensive income	-	(11,191)	(11,191)
Interest paid on members' shares	-	(18,276)	(18,276)
New shares issued to members	49,519	-	49,519
Members' shares redeemed	(11,924)	-	(11,924)
As at 31 March 2023 and 1 April 2023	<u>568,538</u>	<u>(172,465)</u>	<u>396,073</u>
Profit for the year and total comprehensive income	-	3,139	3,139
Interest paid on members' shares	-	(16,954)	(16,954)
As at 31 March 2024	<u><u>559,477</u></u>	<u><u>(186,280)</u></u>	<u><u>373,197</u></u>

Interest on society shares is required by Financial Reporting Standard 102 to be included in the statement of equity rather than in the Revenue account. However, this interest is not a distribution of profit but a cost of capital and an expense of the business, and remains tax-deductible.

Ethical Consumer Research Association Limited
Notes to the Financial Statements
For The Year Ended 31 March 2024

1. General Information

Ethical Consumer Research Association Limited is a community benefit society, limited by shares, incorporated in England & Wales, registered number 30575R. The registered office is Unit 21, 41 Old Birley Street, Manchester, M15 5RF.

2. Accounting Policies

2.1. Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 section 1A Small Entities "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Community Benefit Societies Act 2014.

2.2. Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover is reduced for estimated customer returns, rebates and other similar allowances.

Sale of goods

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of the goods.

Rendering of services

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

2.3. Intangible Fixed Assets and Amortisation - Other Intangible

Other intangible assets include the customer and reference databases used by the society, and the website. The databases are fully amortised, and the website is amortised to the Revenue account over its estimated economic life of seven years.

2.4. Tangible Fixed Assets and Depreciation

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Computer Equipment	25% per annum straight line
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2.5. Stocks and Work in Progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. Work-in-progress is reflected in the accounts on a contract-by-contract basis by recording turnover and related costs as contract activity progresses.

Ethical Consumer Research Association Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2024

2.6. Foreign Currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

3. Average Number of Employees

Average number of employees, including directors, during the year was: 23 (2023: 23)

4. Tax on Profit

	2024	2023
	£	£
Current tax		
UK Corporation Tax	-	-
	2024	2023
	£	£
Profit before tax	3,139	(11,191)
Breakdown of tax charge is:		
Tax on profit at 19% (UK standard rate)	596	(2,126)
Goodwill/depreciation not allowed for tax	6,044	5,685
Capital allowances	(7,110)	(2,306)
Prior period adjustment	(3,221)	(3,472)
Tax losses for which no deferred tax was recognised	3,819	2,219
Dividends from companies	(128)	-
Total tax charge for the period	-	-

The company had trading losses brought forward of £13,125 due to historic losses pre 01/04/2017, and £109,019 losses brought forward for the period post 01/04/17. The society made a tax loss in the year of £27,227, after deducting the share interest paid and the capital allowances. Pre 01/04/17 trading losses carried forward at 31 March 2024 were £13,126, and post 01/04/17 trading losses £120,701

In addition, the company has trading losses available of £173,060 which were transferred from its subsidiary Ethical Consumer Information Services Ltd ("ECIS") when the entire trade and assets of that company were transferred to the holding company in 2008. HM Revenue and Customs have agreed that if the company makes a taxable profit after using up its own losses, it can offset the ECIS losses against 50% of those profits.

Ethical Consumer Research Association Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2024

5. Intangible Assets

	Database	Website	Total
	£	£	£
Cost			
As at 1 April 2023	49,011	247,262	296,273
Additions	13,875	21,243	35,118
As at 31 March 2024	<u>62,886</u>	<u>268,505</u>	<u>331,391</u>
Amortisation			
As at 1 April 2023	27,334	179,419	206,753
Provided during the period	5,395	23,686	29,081
As at 31 March 2024	<u>32,729</u>	<u>203,105</u>	<u>235,834</u>
Net Book Value			
As at 31 March 2024	<u>30,157</u>	<u>65,400</u>	<u>95,557</u>
As at 1 April 2023	<u>21,677</u>	<u>67,843</u>	<u>89,520</u>

6. Tangible Assets

	Computer Equipment
	£
Cost	
As at 1 April 2023	38,700
Additions	2,155
Disposals	(28,309)
As at 31 March 2024	<u>12,546</u>
Depreciation	
As at 1 April 2023	33,039
Provided during the period	2,729
Disposals	(28,309)
As at 31 March 2024	<u>7,459</u>
Net Book Value	
As at 31 March 2024	<u>5,087</u>
As at 1 April 2023	<u>5,661</u>

Ethical Consumer Research Association Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2024

7. Investments

	Unlisted £
Cost	
As at 1 April 2023	31,362
Additions	566
Disposals	(1,000)
As at 31 March 2024	30,928
Provision	
As at 1 April 2023	-
As at 31 March 2024	-
Net Book Value	
As at 31 March 2024	30,928
As at 1 April 2023	31,362

8. Stocks

	2024 £	2023 £
Finished goods	500	500

9. Debtors

	2024 £	2023 £
Due within one year		
Trade debtors	171,986	72,655
Other debtors	6,479	32,573
Prepayments and accrued income	7,535	9,020
	186,000	114,248

Ethical Consumer Research Association Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2024

10. Creditors: Amounts Falling Due Within One Year

	2024	2023
	£	£
Trade creditors	19,031	15,379
Other taxes and social security	9,353	4,274
VAT	26,830	34,301
Other creditors	96,197	144,000
Accruals and deferred income	337,175	237,430
Other grants	3,685	6,308
	<u>492,271</u>	<u>441,692</u>

11. Share Capital

	2024	2023
	£	£
Members' shares	<u>559,477</u>	<u>568,538</u>

Member shares have a nominal value of £1 and are non-transferable shares which are withdrawable at the discretion of the board. The shares confer membership of the society and entitle the member holding shares to a vote at the Annual General Meeting, on the basis of one member, one vote. Interest may be paid on the shares at the discretion of the board. In the event of the society being wound up, shareholders are only entitled to repayment of their shares (assuming sufficient funds are available) and not to any distribution of the residual assets.