Ethical Consumer Research Association Limited

Annual Review July 2025

Ethical Consumer Research Association Limited
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1. Financial Performance

In 2022 Ethical Consumer Research Association embarked on a five year plan that began with two years of planned losses as we invested resources in a major upgrade to our approach to ranking corporate ethical behaviour.

We also undertook other product development work that included the extension of our Best Buy ethical accreditation scheme to products not formally reviewed as part of a buyers' guide.

In the third and subsequent years the plan required us to make trading surpluses to offset these deficits and rebuild our reserves.

As the figures below show, this went well in the 2024/5 financial year (year 3), where we made a surplus of £42,081. Much of this was due to controlling costs as well as improving sales. Our 'ethical screenings' service for companies and charities to check out their suppliers and partners did particularly well. We also implemented, as planned, a price rise for subscriptions to our consumer magazine and website, and increased researcher resources in the consultancy side of our work.

The upgrade to our ranking system has also begun to deliver on the goals we set. We have reduced research time for buyers guides while producing rankings that we think are higher quality, better aligned with those of other groups, and easier to communicate.

Although we are still projecting trading surpluses for the coming years, there is much uncertainty ahead. Political polarisation is seeing increased climate change denial, hate speech and even criminalisation of dissenting voices. Other changes, such as the employers national insurance increases, which have increased our staff costs by around 10% this year, are also presenting challenges.

We think that continuing to develop multiple income streams, as we have been doing, is a key way of maintaining resilience amidst this uncertainty.

We are also planning to run our first crowdfunder in four years in the autumn. This will be to support our new workstream on 'challenging corporate power beyond consumer markets'.

We continue to hold £417,407 of net assets as an additional buffer against uncertainty and as a resource to allow us to continue to invest in our products. During the year, investor share capital rose slightly to £561,605, with four investor members leaving last year and four new ones joining.

The Board is agreed that the current rate of interest for investors (3.25%) should continue in the medium term. Our policy of holding rates steady remains in place, and the rate of has not changed since August 2013.

At the time of writing, although we have nearly completed the review of our accounts with our accountants, the figures may undergo some small changes before the final version is submitted to the regulator in August.

2. The Financial Years to 31 March 2024 and 31 March 2025

Ethical Consumer Research Association Ltd
Profit and loss accounts

	For year to 31 March 2024	For year to 31 March 2025
TURNOVER	930,850	937,929
COST OF SALES	(318,377)	(226,738)
GROSS PROFIT	612,473	711,191
ADMINISTRATIVE EXPENSES	(617,138)	(660,345)
OPERATING PROFIT/LOSS	(4,665)	50,846
INTEREST RECEIVABLE	7,804	9,047
INTEREST PAYABLE	(16,954)	(17,813)
TAX ON PROFIT ON ORDINARY ACTIVITIES	0	0
PROFIT/LOSS FOR THE YEAR	**(13,815)**	**42,081**

Ethical Consumer Research Association Ltd
Balance Sheet

	As at 31 March 2024	As at 31 March 2025
Fixed assets		
Intangible Assets	95,557	93,300
Tangible assets	5,087	12,839
Investments	30,928	31,585
Subtotal	**131,572**	**137,724**
Current assets		
Stock	500	500
Debtors	186,000	140,455
Cash at bank and in hand	547,396	527,573
Subtotal	**733,896**	**668,528**
Creditors: amounts falling due in less than one year	(492,271)	(388,845)
Net current assets/(liabilities)	**241,625**	**279,683**
Net assets/(liabilities)	**373,197**	**417,407**
Share Capital	559,477	561,605
Accumulated Reserves	(186,280)	(144,198)
Shareholders Funds	373,197	417,407

3. Highlights from the year

Campaigns

Amazon Boycott

Our Amazon boycott campaign has continued to highlight the company's systematic tax avoidance, with a renewed emphasis this year on local authority and university procurement practices. We maintained our engagement with key public events, including Boycott Black Friday and the Make Amazon Pay coalition, and again promoted Amazon Free August to encourage consumers to stop buying with Amazon.

BDS

Ethical Consumer has continued its support for and publishing about the Palestinian Boycott, Divestment and Sanctions (BDS) movement. It is the most popular content on Ethical Consumer's website and focuses heavily on boycott campaigns. A landing page of key content can be found here: www.ethicalconsumer.org/ethicalcampaigns/support-palestine

Migrant workers rights ('Spain Campaign')

The Spain campaign team is coming towards the end of 1.5 years of grant funding, which supported campaigning efforts to improve the rights of migrant workers in UK supermarkets' Spanish agricultural supply chains. The Ethical Consumer team travelled to Spain to meet a union we have engaged with since 2019 in person for the first time. A YouTube video on the issues and exchange is coming out in Summer/ Autumn 2025.

Climate Gap

The Climate Gap project this year branched out from it's annual report to start a newsletter with over 800 subscribers. Each of the 12 months focuses on inspiration around one of the 12 impact areas in the report; food, transport, consumer goods and heating. We also continue to report on initiatives for system change in our Campaigns column of the magazine.

Publishing and Research

We have continued to implement the new rating system across all new guides. The past year we have covered supermarkets, plant-based alternatives, phones & laptops, money and more! Nearly half of the guides on the website now use the updated rating system. Our new data privacy rating for email providers was covered in the national press: inews.co.uk/news/email-providers-data-targeted-ads-gmail-outlook-3522894

We ran a successful conference at Rich Mix (London) in November with the theme of: Can economic degrowth lead to a sustainable future? You can find some key highlights here: www.ethicalconsumer.org/about/ethical-consumer-conference

We now have companies signing up to our new 'Off-Guide Best Buy' label with more showing interest. We have allocated more resources to this project for the coming year. You can find a Q&A with one of the subscribers here: www.ethicalconsumer.org/money-finance/qa-path-financial

Consultancy

The Screenings team exceeded their targets yet again and are exploring ways to innovate their order system to be able to handle higher volumes of work more efficiently. This will also allow us to seek more clients in this area.

Ethical Consumer continues to play a key role in the two Lush prize funds. Lush Spring Prize 2025 had over 600 applications and awarded 19 prizes to regenerative projects around the world. The Lush Prize used its non-prize year to engage with parliament around legislating against animal testing and is now gearing up to Lush Prize 2026. We also successfully completed another cycle of the Lush Audit, ensuring no animal testing is present in the Lush supply chain.

The consultancy team has also been working on a range of other projects - including marketing our new Corporate Research Database and continuing to work with Save Our Bank and Fair Tax Mark.

Personnel

In the 2024-25 financial year we welcomed 3 new people to the team – one person to the research team, one to the subscriptions/finance teams and one in a new role of Digital Projects Coordinator.

The personnel team continues to work with People's Support Co-op to keep our policies up to date and aligned with legal requirements and co-operative values. We have also consolidated our processes and policies into a new Personnel Governance Handbook (for personnel members) and updated Company Handbook (for worker-members).

We continue to embed strategies for staff wellbeing across the co-op and explore options for a restructure based on sociocratic and co-operative principles.

4. Board of Directors and Elections

As a multi-stakeholder co-op, the board of ECRA is made up as follows:

- Five worker directors (elected by the staff)
- Two investor member directors (elected by the members)
- Two non-executive directors (appointed by the board)

Worker directors

The worker directors are as follows:

- Francesca de la Torre (Chair)
- Rob Harrison
- Shanta Bhavnani
- Alyson Tyler
- Ruairidh Fraser

Investor member directors

- Dan Welch
- Adina Claire

Non-executive Directors

- Ketan Varia
- Clare Searle

Investor-Member Director elections

Our investor members hold the post for two years and, as 2024 was an election year, there is no election this year.

More information

If you are interested in finding our more about our current directors, standing as an investor director in future years yourself, or about our non-executive roles, there is more information on our website at: www.ethicalconsumer.org/about-us/board-directors

5. Virtual AGM, Thursday 18 September 2025, 6:30pm

AGM

Date
Thursday 18th September
Time
6:30pm – 7:45pm

Our Annual General Meetings are one of the main opportunities during the year when we can meet with investors and share ideas and plans.

As last year, we will be holding the event remotely by zoom. We do hope you will be able to attend. If you would like to, please email finance@ethicalconsumer.org to add your name to the list. We will then send a link to register on zoom.

We will also send a formal invitation with papers by email closer to the event.

6.30pm	Introductions of attendees.
6.45pm	TBC: Two short presentations from ECRA on key developments taking place this year followed by a Q&A session with attendees. • Our work around Israel, Palestine and BDS • Our crowdfunder on challenging corporate power beyond consumer markets
7.05pm	Formal AGM – including approval of the accounts and of the appointments of auditors.
7.35pm	Other questions and answers for ECRA Board and Staff
7.45pm	Close.

6. Our annual conference in London, 7 Nov 2025

Following the success of the last two events we held last year at 'Rich Mix' in London's East End, we are planning to hold another one this year at the same venue. The theme for the day is:

How can we move beyond corporate power?
– Why re-inventing corporations can help us build a fairer and more sustainable future

Topics we'll be exploring include:

- Alternative business models with co–ops and social enterprises
- Using consumer boycotts effectively
- How mutual business models benefit customers
- DIY Tech Activism, how it started and what it looks like now
- Corporate power and AI taking up land

More information appears on our special conference website here: https://conference.ethicalconsumer.org/conference-2025

7. Tax on interest accrued on your shareholding

When ECRA converted to an Industrial and Provident Society in October 2008, we were no longer permitted by law to deduct tax from interest accrued in shares. Investors may therefore need to do this in their own tax returns.

We are however required to send Revenue and Customs a list of all the names and addresses of investor members who have earned interest of more than £200 on their holdings in the preceding period. Most of our investors do not fall into this bracket.

8. Forms to increase, reduce or convert your investment

- If you are already a member and would like to invest further money in ECRA, please fill in Form A below. Shares currently attract interest at 3.25%. Alternatively you may send an email to finance@ethicalconsumer.org using the same wording as the form if you wish to invest by bank transfer.

- If you are a shareholder and you would like to reclaim some or all of your investment, please fill in Form B below. Alternatively you may send an email to finance@ethicalconsumer.org using the same wording as the form.

- If you wish to become a new investor you will need to fill in the new member application form at Form C below. Shares attract interest at (currently) 3.25% and have additional member benefits.

Code of Practice

ECRA, unlike banks and building societies, is not subject to prudential supervision by the Financial Conduct Authority. Ethical Consumer abides by a code of practice which requires it to provide a statement to its shareholders on the nature of their investment and any change affecting it.

The position you occupy as a shareholder of ECRA is no different from that of a shareholder in any other corporate body in the sense that, if ECRA fails, you may not have all, or any of your investment returned to you.

Your liability, however, does not extend beyond your own investment. Your investment is withdrawable without penalty.

If you have any questions regarding the code, please address them to: **The Secretary, ECRA, Unit 21, 41 Old Birley St, Manchester M15 5RF**, by email to finance@ethicalconsumer.org, or call **0161 226 2929**.

Thank you for investing in Ethical Consumer Research Association Limited.

FORM A

SHARE ACCOUNT INVESTMENT

Members of Ethical Consumer Research Association Ltd are advised that investments can be made by cheque or bank transfer to 08-90-00 70923146. Please use your name as a reference.

I wish to invest a further: £ _____

Amount in words: _____

I wish to pay by:

☐ Cheque (enclosed, made payable to **Ethical Consumer**)

☐ Bank transfer (Sort code: **08-90-00** Account number: **70923146**)

Title: Mr | Mrs | Miss | Ms | Other _____ (please delete)

Name(s): _____

Address: _____

_____

Postcode: _____

Signature: _____

Date: _____

Please sign and return this form to:

Ethical Consumer Research Association Ltd, Unit 21 41 Old Birley Street, Manchester, M15 5RF, or by email to finance@ethicalconsumer.org

Please contact Ethical Consumer for more information where required on **0161 226 2929**.

FORM B

SHARE ACCOUNT WITHDRAWAL

I wish to withdraw/be repaid: £ _____

Amount in words: _____

Title: Mr | Mrs | Miss | Ms | Other _____ (please delete)

Name(s): _____

Address: _____

_____

Postcode: _____

Signature: _____

Date: _____

Please sign and return this form to:

Ethical Consumer Research Association Ltd, Unit 21 41 Old Birley Street, Manchester, M15 5RF, or by email to finance@ethicalconsumer.org

Please contact Ethical Consumer for more information where required on **0161 226 2929**.

FORM C

NEW MEMBER APPLICATION

I wish to apply for membership of Ethical Consumer Research Association Ltd. I confirm that I agree to be bound by the rules of the co-operative. Investments can be made by cheque or bank transfer Please use your name as a reference.

I wish to invest: £ _____

Amount in words: _____

I wish to pay by:

- ☐ Cheque (enclosed, made payable to **Ethical Consumer**)
- ☐ Bank transfer (Sort code: **08-90-00** Account number: **70923146**)

Title: Mr | Mrs | Miss | Ms | Other _____ (please delete)

Name(s): _____

Address: _____

_____

Postcode: _____

Signature: _____

Date: _____

Please sign and return this form to:

Ethical Consumer Research Association Ltd, Unit 21 41 Old Birley Street, Manchester, M15 5RF, or by email to finance@ethicalconsumer.org

Please contact Ethical Consumer for more information where required on **0161 226 2929**.

The Society's rules are available to download on the Ethical Consumer website at www.ethicalconsumer.org/aboutus/membersarea/uniquestructure.aspx

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