

number 31939R

EFJ LIMITED - EDGE FUND

(a registered society under the Co-operative and Community Benefit Societies Act 2014)

**UNAUDITED ANNUAL REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31ST JANUARY 2014

J LEE MANAGEMENT

65 Regents Park Road
Southampton
Hants
SO15 8PF

EFJ LIMITED - EDGE FUND

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INFORMATION

COMMITTEE OF MANAGEMENT:

CHAIRMAN	John Stewart
TREASURER	Ian Jones
OTHER MEMBERS	Leo Murray

SECRETARY	Sophie Pritchard
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REGISTERED OFFICE	13-15 Stockwell Road London SW9 9AU
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REGISTERED SOCIETY NUMBER	31939R
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DATE OF INCORPORATION	14th January 2013
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ACCOUNTANTS	J LEE MANAGEMENT 65 Regents Park Road Southampton SO15 8PF
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BANKERS	THE CO-OPERATIVE BANK PO Box 101 1 Balloon Street Manchester M60 4EP
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ANNUAL REPORT OF THE COMMITTEE MEMBERS **FOR THE YEAR ENDED 31ST JANUARY 2014**

The committee members submit their annual report and the financial statements for the year ended 31st January 2014.

PRINCIPAL ACTIVITIES

Making grants to grassroots social change projects.
Developing and promoting new models of democratic grant-making
Bringing people of different backgrounds together to learn about each other's issues and support each others work.

REVIEW FOR THE YEAR ENDED 31ST JANUARY 2014

In April 2012 a group of donors and activists came together to talk about setting up a new fund which would support social change work as well as actively working to break down power dynamics in funding. Our approach is based on democracy, accountability and transparency and funding grassroots activism for systemic change.

During our first accounting year we ran three funding rounds, agreeing grants totalling £120,000. We worked hard to develop our very own process for distributing funds which involves donors, activists, community organisers and the applicants themselves. After each funding round we asked both members and applicants to give feedback on the process so that we could improve it the next time. A particular focus has been on being accountable to people with lived experience of the issues who would potentially be affected by us funding an application, for example, we try to ensure that disabled people in our membership have the first say when it comes to funding applications relating to disability.

Our new approach to grant-making has started to attract the attention of others in the philanthropy field and we were asked to speak at several events, such as Environmental Funders Network effectiveness workshop, University of Kent's Social Justice Philanthropy Conference and London School of Economics Re-claiming Democracy in the Square: Recent Social Movements and Civil Society Activism event. We also had several articles published online and in print and have started working with other funders with similar values. Through this work we aim to promote our model of grant-making.

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ANNUAL REPORT OF THE COMMITTEE MEMBERS **FOR THE YEAR ENDED 31ST JANUARY 2014**

REVIEW FOR THE YEAR ENDED 31ST JANUARY 2014 CONT.

Since the organisation was founded the structure of Edge Fund has developed from a small team of 15 initial members to over 100 members. We have several Working Groups working on topics such as communications and fundraising and a Facilitating Group which oversees the fund's operations and keeps things moving on. We have a part-time paid co-ordinator but all other members give their time voluntarily. All our members have an equal say, whether they have donated to the fund or not. We aim to be inclusive and to support members to take part, for example, we cover costs of getting to meetings where needed.

2015 AND BEYOND

For the future our aims are to focus on improving representation of different communities within the membership to ensure the organisation is led by people with first hand experience of the issues we aim to address, to raise more funds (particularly monthly donations) and improve our processes. Our funding process brings people together who may not cross paths otherwise; we hope to build on this and develop ways to enable Edge members and grantees to learn from and support each other across issues and movements. We also have plans for building relevant skills within the membership itself.

GOVERNANCE AND THE COMMITTEE

Committee members are drawn from a wide background and are selected to ensure they bring relevant experience, skills, diversity and understanding to the discussions and decision making process of the committee. The committee meets formally on a regular basis to review the activities and the finances of the society and to ensure its effective management and governance. The key members of the committee have all served throughout the year and to the date of this report.

COMMITTEE'S RESPONSIBILITIES

The financial statements have been prepared in accordance with the society's rules adopted upon incorporation and in accordance with applicable law and regulations. The committee members are satisfied that the financial statements give a true and fair view of the state of affairs of the society and of its surplus or deficit at the period end.

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ANNUAL REPORT OF THE COMMITTEE MEMBERS
FOR THE YEAR ENDED 31ST JANUARY 2014

In preparing the financial statements the members are required to:

1. select suitable accounting policies and then apply them consistently
2. make judgements and estimates that are reasonable and prudent
3. state whether the policies adopted are in accordance with the appropriate SORP on Accounting Regulations and with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements; and assume that the society will continue in business.

The members of the committee are responsible for keeping proper accounting records which 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 Co-operative and Community Benefit Societies Act 2014. They are responsible for safeguarding the assets of the society and hence for taking responsible steps for the prevention and detection of fraud or other irregularities.

SHARE CAPITAL

The society is limited by share capital. The liability of each member (127 in total) in the event of winding-up is limited to £1.

RESERVES POLICY

The society's policy on reserves is to keep £80000 to £100000 as a reserve fund which is sufficient to cover one funding round and the society's management and administration expenses for a minimum period of six months.

ANNUAL GENERAL MEETING

The annual general meeting was held and the accounts approved on Friday 22nd August 2014.

SIGNED ON BEHALF OF THE COMMITTEE:

DATE:

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SOPHIE PRITCHARD, SECRETARY

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**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST JANUARY 2014****2014****INCOME**

Donations	221,161	
	<hr/>	221,161

DIRECT EXPENDITURE

Grants Payable	108,370	
Outreach and Promotion	3,523	
	<hr/>	111,893
		<hr/>
		109,268

MANAGEMENT AND ADMINISTRATION

Administration Costs	11,261	
Governance Costs	2,210	
Venue Hire	1,175	
Members Travelling and Subsistence	2,577	
Professional Fees	800	
Bank Charges	6	
	<hr/>	18,029

SURPLUS/(DEFICIT) FOR THE PERIOD**£ 91,239**

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**BALANCE SHEET
AS AT 31ST JANUARY 2014**

		2014
CURRENT ASSETS	note	
Cash at bank		92,388
Debtors		50
		<hr/> 92,438
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2	1,072
		<hr/> 91,366
NET CURRENT ASSETS (LIABILITIES)		<hr/> <hr/> 91,366
Represented By:		
CAPITAL AND RESERVES		
Reserve funds brought forward		0
Surplus/(Deficit) funds for the period		91,239
		<hr/> 91,239
Reserve funds carried forward		127
Share Capital		<hr/> 127
		<hr/> <hr/> 91,366

The financial statements were approved by the members of the committee on Friday 22nd August 2014 and signed on their behalf by:

SOPHIE PRITCHARD
Secretary

Committee Member

Committee Member

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NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31ST JANUARY 2014**

1) **ACCOUNTING POLICIES**

a) **Accounting Basis and Standards**

The financial statements have been prepared under the historical cost convention and in accordance with UK Generally Accepted Accounting Practice (UK GAAP) and the Co-operative and Community Benefit Societies Act 2014.

b) **Income**

Income comprises of donations and grants and is accounted for on a receivables basis.

2) **DEBTORS**

Short Term Loan (to potential grant recipient)

2014

50

50

3) **CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR**

Administration Costs

2014

1,072

1,072

4) **TRANSACTIONS WITH MEMBERS**

Sophie Pritchard, a member of the society, invoiced the society £11,261 for providing administration services in the period.

5) **INDEPENDENT EXAMINATION AND ACCOUNTANCY SERVICES**

During the period the cost of independent examination and accountancy services was NIL.