CHEM Trust
(Limited by Guarantee)

Financial Statements
for the year ended 31 December 2018

Charity No: 1118182
Company No: 05933897

CHEM Trust

Financial Statements
for the year ended 31 December 2018

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CHEM TRUST
REPORT OF THE TRUSTEES

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2018. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

1. Reference and administrative details

Registered Company number

- 05933897 (England and Wales)

Registered Charity number

- 1118182

Registered office
Impact Hub
34B York Way
Kings Cross
London
NI 9AB

Trustees
Oliver Smith (Chair)
Nigel Haigh OBE
Leslie Jones OBE
Deborah Tripley
Sarah Oppenheimer
Colin Church
Harriet Gillett (resigned June 2018)

Staff
Michael Warhurst – Executive Director
Elizabeth Salter Green – Director
Anna Watson – Head of Advocacy
Charlotte Coquard – Campaign Intern (to March 2018)
Julie Schneider – Campaign Intern (from March 2018 – Oct 2018)
Julie Schneider – Campaigner (from Nov 2018)
Eleanor Hawke – Campaign Intern (from Dec 2018)
Andrea Speranza – Brexit Campaigner (to April 2018)
Kate Young – Brexit Campaigner (from June 2018)

Key Consultants:
Ninja Reineke – Head of Science
Sidsel Dyekjaer – Science and Policy Consultant

Independent examiner
Knox Cropper LLP
65-68 Leadenhall Street
London
EC3A 2AD

Bankers
The Co-Operative Bank, Business Direct Branch
4th Floor, 9 Prescot Street
LONDON
E1 8BE

Insurance Brokers
Case Insurance Appointed Representative of aQmen Limited
James House, Emlyn Lane
Leatherhead, Surrey, KT22 7EP

2. Structure, Governance & Management

2.1 Governing Document
The Memorandum and Articles of Association of CHEM Trust.

2.2 Organisation
The activities of CHEM Trust are overseen by the Trustees.

2.3 Selection of Trustees
Harriet Gillet stepped down from the trustees at the June 2018 board meeting.

2.4 Policies and procedure for training and induction of Trustees
CHEM Trust does not have policies set down for the training and induction of trustees, however, existing trustees are extremely experienced having been trustees for other organisations.

2.5 Organisational structure of the charity
The main day to day decision making is vested in the Executive Director, in consultation with the other staff and with the option of referring decisions to the Board of Trustees if necessary. All payments must be approved by two people, and payments over £2000 (increased to £5000 in November 2018) must be approved by a trustee.

2.6 Related Parties
See Note 11.

2.7 Risk Management

The Executive Director of CHEM Trust maintains a risk register which is reviewed by the Board of Trustees at least once a year. This ensures that the major risks to which the Charity are exposed are reviewed and that systems are established to mitigate those risks.
Major risks for CHEM Trust include loss of funding, loss of data, loss of reputation, loss of the expertise of staff and not responding effectively to the challenge of Brexit. Measures to mitigate these risks have been discussed and agreed by the Board of Trustees.

3. Objectives and Activities

This is the twelfth Annual Report of CHEM Trust and our work continues to make a significant impact on understanding and policymaking on hazardous chemicals. In 2018, we have had very successful repeat funding from existing funders and we sourced a number of new funders. This clearly reflects the value of CHEM Trust's work.
The reports, briefings and policy submissions that have been produced are of the highest scientific standard and received media coverage and recognition from other organisations and individuals. We are frequently invited to contribute our expertise at important meetings and events, including presentations at conferences and workshops on food contact materials, enforcement of chemical regulation and at the 9th International Fresenius Conference on endocrine disrupters in 2018.
The Trustees of CHEM Trust confirm that they have paid due regard to Charity Commission guidance on public benefit, in deciding what activities the charity should undertake.
We aim to protect the environment and public health. CHEM Trust's education of the general public is free to all through our website, via public meetings and via general campaigning. Our beneficiaries are people who are exposed to potentially damaging chemicals. Such exposure can occur directly through the use of consumer products such as electronic products, toys, cosmetics, furniture, etc., and from contaminated air, water, and food. We are working to ensure that toxic chemicals are replaced with safer alternatives.

3.1 Summary of CHEM Trust's Charitable Objectives

- To promote for the benefit of the public the protection of human health and the environment from the effects of noxious chemicals;
- To promote research for the public benefit about the effects of chemicals on health and the environment and to disseminate the useful results thereof.

3.2 Explanation of the CHEM Trust's aims and the changes/difference we seek to make

The aim of CHEM Trust is to highlight the scientific research linking exposure to chemicals to harmful effects on health, thereby leading to improved implementation of existing chemicals policy, and, where necessary, improvements in chemicals regulation, in order to protect wildlife and humans.
CHEM Trust's vision is a world where wildlife and humans co-exist with a sustainable chemical industry, and where chemicals play no part in causing impaired reproduction, deformities, disease, or deficits in neurological function.
CHEM Trust's mission statement is to prevent man-made chemicals from causing long term damage to wildlife or humans by ensuring that chemicals which cause such harm are substituted with safer alternatives.

CHEM Trust's particular concerns are related to hormone disruptors, the cocktail effect of chemicals and the role of chemical exposures in the early life of wildlife and humans. Exposure to undesirable chemicals may arise from direct contamination of water and the food chain via pesticides or from the use and disposal of many everyday products such as TVs, computers, cars, construction materials, toys, toiletries and cosmetics.
CHEM Trust is committed to engaging with scientific, environmental and medical communities to raise the level of dialogue concerning the role of chemicals in adverse effects in wildlife and humans and to harness a wide coalition in the drive for improved chemicals policy and regulation.
The problems of both wildlife and human exposure to harmful chemicals go hand in hand. During 2018 we have highlighted the concerns associated with chemical exposure and focussed our efforts on the EU chemicals policy and legislative agenda relating to industrial chemicals, food contact chemicals, and the threat to public health in the UK caused by leaving the EU. We've particularly focussed on the implementation of EU legislation on endocrine disrupting chemicals, as our eventual aim is for a phase out of exposure to chemicals with endocrine disrupting properties. In CHEM Trust's view the UK needs to stay fully aligned with EU chemical regulation in order to protect UK human and wildlife populations from hazardous chemicals.

3.3 Summary of the main objectives for 2018

1. *To work within technical policy processes, particularly at EU level, to help obtain a regulatory system that identifies and phases out hormone disrupting chemicals*
CHEM Trust will continue to be one of the leading stakeholders within the EU on the debate on how chemicals are managed, advising both policymakers and other civil society groups.
We will be particularly focussing on ensuring that the criteria are implemented and are used efficiently in phasing out EDCs in pesticides and biocides, including continued work on the development of guidance on the use of these criteria.
We will also encourage the EU Commission to develop a new EDC strategy addressing EDCs in other chemicals legislations, which it has said it will do in July 2017.

2. *To widen the understanding of the problems posed by hormone disrupting chemicals, among the public, policymakers, businesses and other influencers.*
This will include highlighting both the human and wildlife impacts of hormone disrupting chemicals, working with scientists, the medical community and other environmental NGOs. We will publish a new report on bisphenols in spring 2018 which we will promote to NGOs, decision makers and scientists.

3. *To highlight the poor EU regulatory system for chemicals in food contact packaging*
Some chemicals used in food contact packaging are hormone disrupters, and the regulations governing the use of such chemicals are widely accepted to be deficient. We will closely follow the European Commission's review of these regulations in 2018, promoting the development of a harmonised regulation in Europe removing hazardous substances from food contact materials. We will take opportunities offered to us to speak at conferences on this issue.

4. *To highlight the need for the EU policies that promote the Circular economy to include processes to address hazardous chemicals*

The European Commission's review of the issues around chemicals in the circular economy (e.g. products containing banned chemicals being recycled into new products) will be continued in 2018. We will contribute to this review, encouraging the development of measures to speed up the removal of hazardous chemicals from the economy.

5. *To work to ensure that the outcome of the UK's referendum on EU membership does not result in weaker regulation of chemicals within the UK.*

The UK's vote to leave the European Union threatens the protection of public health and the environment within the UK, as the vast majority of the UK's chemical regulations come from EU law. Given that the EU is generally recognised to have the most sophisticated chemical regulations in the world, CHEM Trust will continue to work to keep the UK as close to the EU system as possible. We will seek continued funding to be able to deliver this work.

6. *To maintain and increase the funding of the organisation.*

CHEM Trust is the leading technical not-for-profit environmental and health group within the UK focussing on the harm caused by both industrial and agricultural chemicals. We therefore present a unique opportunity for funders to invest in an area which will be of lasting benefit for human and wildlife health. CHEM Trust will continue to identify and approach new foundations in 2018 in order to fund CHEM Trust's expansion and to ensure that we have a diverse funding base. To ensure this diversity we will seek funding from foundations based in the UK, Europe and the USA. We will continue to use external fundraising advisors if needed.

7. *We will set up a sister organisation in Germany.*

In order to ensure CHEM Trust retains access to EU level policy formulation and to help us contribute to the debate on chemicals policy in Germany, we will establish a sister not for profit organisation based in Hamburg.

3.4 Explanation of Strategies for achieving the objectives

CHEM Trust's focus is the science-policy interface, making sure that the science on hazardous chemicals is effectively translated into policy action in the shortest possible timeframe.
Our analysis is that laws are the most effective way of reducing the release of harmful man-made chemicals, as they drive the market to develop and use safer alternatives.
We particularly focus on EU-level regulation as the EU is the biggest single market in the world covering over 500 million people, and these regulations already have a global impact. By improving the effectiveness of these regulations, we can affect the global use of hazardous chemicals.
Part of our strategy to achieve our goals is working in coalition with other environment, health and consumer NGOs, particularly at EU level and in individual EU Member States.

Our approach includes:

- Working with scientists, regulators and others to identify harmful chemicals and groups of chemicals, where they are used and to highlight that impacts from harmful chemicals are an urgent problem that needs to be addressed.
- Encouraging regulators to regulate these chemicals as a solution to the problem.
- Identifying improvements that can be made to chemical laws and advocating these changes.
- Working with the democratic and technical processes of the EU, in coalition with NGOs, scientists and other stakeholders, to improve chemical laws and control of hazardous chemicals.
- Monitoring the implementation and enforcement of chemical laws, in association with other NGOs, to ensure that they have the desired impact in the real world.

4. Achievements and Performance

Review of charitable activities explaining performance achieved against objectives set.

1. *To work within technical policy processes, particularly at EU level, to help obtain a regulatory system that identifies and phases out hormone disrupting chemicals*

Following the finalisation of the EDC criteria CHEM Trust focused on the guidance for these criteria, including submitting comments to the EU Commission's consultation on the EU Guidance for the identification of Endocrine Disruptors, and talking to other NGOs and Member States experts. We also circulated these comments to NGOs, scientists and selected Member States. Our work resulted in some important improvements to the guidance, which was agreed in 2018.

CHEM Trust continued to put pressure on the EU to develop a strong regulatory system to reduce exposures to EDCs. In July we submitted a response to the EU Commission's consultation on a draft Roadmap "Towards a more comprehensive EU framework on endocrine disrupters", in which we highlighted specific measures to reduce EDC exposures that we believe should be a priority for any future framework. In November 2018 the Commission published its follow-up communication. starts a REFIT regulatory fitness check of EU laws relating to EDCs but regrettably fails to include any of the specific measures to reduce exposures that we highlighted in our response. The EDC-Free network, of which CHEM Trust is a member, published a position paper in May listing eight essential elements for a new European EDC strategy.

CHEM Trust has worked for many years to get further restrictions on phthalates, and in July 2018 the REACH committee voted to restrict the use of 4 phthalates (DEHP, DBP, BBP and DIBP) in consumer articles, excluding food contact materials.

CHEM Trust also participated in the ECHA EDC expert group meetings in Helsinki throughout 2018, which is an advisory group for ED identification decisions taken under biocides and REACH.

CHEM Trust is one of the selected stakeholder organisations of the European Human Biomonitoring Initiative (HBM4EU), a joint initiative of 26 countries and the European Commission which aims to coordinate and advance measurement of the presence of chemicals in the European population.

We also initiated a project with New Economics Foundation (NEF) on discount rate and cost-benefit analysis of chemicals. This project is important as the socioeconomic assessment committee in REACH has an important role in decision making on REACH. This report is due to be completed and published in 2019.

CHEM Trust continues to be involved in the UK Chemicals Stakeholder Forum, and regularly works with other NGOs and coalitions, such as the EDC-Free network, to push for continued action on EDCs.

2. *To widen the understanding of the problems posed by hormone disrupting chemicals, among the public, policymakers, businesses and other influencers.*

During 2018 CHEM Trust carried out a communications review and identified where the organisation could increase its profile and its reach with the key audiences. A communications strategy for the organisation was then produced taking into account the findings and recommendations of the review. Since the strategy has been developed there has been an increase in social media followers on Facebook, twitter and LinkedIn and an increase in visits to the website.

CHEM Trust continued with public speaking engagements at key scientific and policy conferences (13 of our talks from 2018 are available at http://www.chemtrust.org/talks/). These included presentations on endocrine disrupting chemicals, food contact materials, enforcement of chemical laws and Brexit and chemical policy.

CHEM Trust's web site (http://chemtrust.org) is an effective tool for communicating with our core audiences. During 2018 we have increased the number of views of our website from over 3000 per month to over 4000 per month. CHEM Trust also published 22 blogs, on a wide range of relevant subjects, including the European regulation of EDCs, the future of the chemicals regulation in the UK after Brexit, food contact materials, hazardous chemicals in plastic packaging and microplastics.

CHEM Trust continues to get good media coverage, at both EU and UK level and within both mainstream and technical media. Many journalists contact CHEM Trust on a repeated basis because they know CHEM Trust is an accurate and trustworthy source of information. We secured over 120 comments, articles or coverage of our work in 2018.

Our peer-reviewed report *"From BPA to BPZ: a toxic soup?"* was released in March 2018. It has been covered in the technical media and was circulated to key policy-makers. It has been included as a background document in a policy meeting discussing the bisphenols group of chemicals. The blog with accompanied the report's release has been viewed 2,500 times during 2018.

3. *To highlight the poor EU regulatory system for chemicals in food contact packaging*

CHEM Trust has been calling for the EU to review its ineffective laws regulating chemicals in Food Contact Materials (FCM) for over four years. In September 2018 the Commission invited a wide range of stakeholders to a workshop in Brussels to launch this review. The workshop was attended by EU government representatives, industry, NGOs, and scientists. CHEM Trust collaborated with ClientEarth, The European Consumer Organisation (BEUC), and the Health and Environment Alliance (HEAL) to give a joint presentation explaining their concerns about the ineffectiveness of current regulations.

Ahead of the vote to restrict four phthalates in consumer articles in July 2018, CHEM Trust sent a letter to EU Commissioners and co-signed (with the European Environment Bureau), a second letter to Member State experts on the REACH committee, both calling for the proposed REACH restriction to be extended to cover the use of these phthalates in FCM. Unfortunately, the food contact uses were not added to the REACH restriction. This demonstrates the inefficiencies of the food contact laws and the importance of CHEM Trust's continued work in this area.

In November 2018, CHEM Trust held a workshop with a number of civil society groups to discuss our priorities for FCM laws. The workshop was very successful, and was attended by representatives of ClientEarth, EEB, BUEC, FPF, HEAL, ChemSec, the Danish consumer council, and a US participant.

We also gave a talk 'EU Regulation of chemicals in Food Contact Materials: Outdated, ineffective – and full of holes' at a Chemical Watch conference in Brussels in May 2018. The conference was well attended by industry and consultants, and the talk was well received. A second presentation was given to the 'Plastics and paper in contact with foodstuffs' conference in December 2018.

4. *To highlight the need for the EU policies that promote the Circular economy to include processes to address hazardous chemicals*

During 2018 CHEM Trust responded to the consultation by ECHA to create a database of articles that contain Substances of Very High Concern (SVHC) – which will be vital if we are to have a clean circular economy. We responded to the EC consultation addressing the interface between chemical, product and waste legislation following the Commission's Communication on the implementation of the circular economy package. We also co-organised a webinar on the importance of a clean circular economy for other European NGOs, to inform their responses to the consultation.

CHEM Trust also participated in a workshop organised by DG Research to discuss a report into plastics in the circular economy.

During 2018 CHEM Trust has been working in a collaboration of NGOs and academic scientists to identify which hazardous chemicals are used in plastic packaging and which of these should be prioritised for substitution. The database of hazardous chemicals has been published in a peer-reviewed scientific journal: https://www.sciencedirect.com/science/article/pii/S0048969718338828?via%3Dihub

The research has also been covered in the mainstream media, including the Huffington Post, and the technical media. Other NGOs across Europe are beginning to use the research in their own communications and policy submissions.

5. *To work to ensure that the outcome of the UK's referendum on EU membership does not result in weaker regulation of chemicals within the UK.*

During 2018 CHEM Trust has continued to campaign to encourage the UK to keep the main EU chemicals regulation – Registration Evaluation Authorisation of Chemicals (REACH) – after Brexit.

CHEM Trust has been working closely with the Greener UK Coalition of UK environmental NGOs and others to promote debate on chemical regulation and Brexit in the UK House of Commons and Lords and submit amendments on REACH to the Withdrawal Bill. We also hosted a parliamentary event to discuss chemical regulation post-Brexit which was chaired by Mary Creagh MP (Chair of the Environmental Audit Committee) and was attended by a number of parliamentarians.

CHEM Trust has also commented on and raised awareness of the readiness of the UK to regulate chemicals if we come out of the EU with a no deal. As part of this work CHEM Trust published analysis from a Freedom of Information (FOI) research project into local council resourcing for consumer protection against hazardous chemicals. Results from the survey revealed a postcode lottery for capacity, and therefore for consumer health and environmental protection.

CHEM Trust is also raising awareness amongst the EU-27 of the importance to other EU countries of the UK staying within REACH. We co-signed a letter to Heads of State letter with the European Chemical Industry Association, EEB, and the UK Chemical Industry Association (CIA) on the importance of REACH and regulatory alignment post-Brexit. CHEM Trust is also sponsoring a new, free newsletter called Brexit Watch – which is sent out weekly to a range of EU audiences and MEPS on the development of a level playing field within the future EU-UK relationship.

Over the last year CHEM Trust has published and promoted numerous blogs on Brexit and chemical regulation and has spoken at a number of conferences including working with Chemical Watch to organise a second conference on Brexit: *"Post-Brexit options for UK chemicals law"*.

CHEM Trust's contribution is having an impact, as having associate membership of ECHA and staying in REACH is the UK government's current position.

6. *To maintain and increase the funding of the organisation*

CHEM Trust had a very successful year in fundraising terms and secured over £500,000 to carry out its vital work.

CHEM Trust was in receipt of on-going funding from foundations including The Esmée Fairbairn Foundation, foundations supporting the European Environment and Health Initiative, the MAVA Foundation and the Polden-Puckham Charitable Trust. We also secured a new multi-year grant from a previous funder, The Waterloo Foundation, and repeat annual funding from the Orp Foundation and Greenpeace Environmental Trust. We secured several new funders; including multi-year funding from the Adessium Foundation and a grant from the Kestrelman Trust. CHEM Trust is grateful for all funding from other Trusts and Foundations.

A central tenet of the fundraising strategy is to retain the original funding from WWF-UK as a reserve, and to find on-going funding from trusts and foundations to underpin each year's expenditure. This includes approaching i) existing funders, ii) funders who already know of CHEM Trust, and iii) 'new' funders who did not know of CHEM Trust's work and reputation.

7. *We will set up a sister organisation in Germany*

Currently CHEM Trust is based and registered as a charity in the UK. Due to Brexit it is possible that at some point in 2019 the UK will no longer be a full member of the EU. This means that UK charities will have a limited ability to play a stakeholder role in EU processes after this date.

To meet this challenge during 2018 CHEM Trust set up a sister organisation in Hamburg, Germany. The founding meeting of CHEM Trust Europe was held in Hamburg on December 14th, where a constitution was signed by all of the founding members, and the management board was agreed.

5. Financial review

The finances of CHEM Trust remained on a sustainable basis during 2018. This Trustees report has underlined the challenges CHEM Trust faces going forward. Our work is more vital than ever with the uncertainties of Brexit translating into an increased demand for our input and a potentially more difficult fundraising climate. Against this background we will need to continue to raise funds if we are to remain the leading advocate for the control of chemicals in the UK.

During 2018 we were successful in raising £510,184 a substantial increase on 2017 when we raised £332,459. This performance reflects the increased attention being focussed on the environment and the challenges facing the regulation of chemicals. Going forward however as long term funding drops out and we increase our work during a turbulent period raising adequate funds will remain a significant challenge. We continue to greatly appreciate the contributions of all our funders.

During 2018 our expenditure totalled £395,115 and again given the challenges we face we took great care to manage our cost base effectively. The overall result was a bottom line surplus of £115,069 and this will help to put us in a strong financial position as we face future challenges.

At the year end the unrestricted reserves amount to £229,501.

As can be seen from this Trustees report we intend to expand our work in 2019 with a range of initiatives over several fronts. Although we fell short of our Reserves target of £250k the shortfall was only approximately £20k. Trustees regularly review performance against our Reserves target.

The financial management of CHEM Trust continued to be maintained to a very high standard. There is regular comprehensive monitoring of our financial position, frequent forecasting against budget and a regular full funds analysis. There are clear procedures for financial delegation and authorisation and forward financial planning is clearly linked to strategy. This will all be even more important going forward.

5.1 Reserves policy

The Trustees have agreed a minimum unrestricted reserve target of £250K, including £50K of wind up costs. They consider that it is important for CHEM Trust to retain a reasonable reserve because of the unpredictability and unevenness of CHEM Trust's funding.

5.2 Investments

CHEM Trust's main bank account is with the Co-Operative Bank, which has a high standard of corporate responsibility. We also have some of our reserves in a 90 day account with the CAF Bank (run by Scottish Widows), to increase the amount of our cash that is protected by the UK Bank Deposit Guarantee Scheme.

5.3 Fundraising policy

CHEM Trust has used the services of the same external fundraiser since 2012. Our fundraising policy is to exclusively focus on raising funds from Charitable Trust and Foundations for our income. Some Trust and Foundations are UK-based, others in Europe and some in the USA. We do not generate income from any other sources.

6. Plans for the future

The aims and key objectives of CHEM Trust remain constant and consistent with those developed when the organisation was set up in 2007. CHEM Trust will continue to engage with scientists, medical practitioners, industry, regulators and those developing chemicals policy, utilizing our existing reports and new research and analysis.

CHEM Trust will continue to work to prevent man-made chemicals from causing long term damage to wildlife or humans, by ensuring that chemicals which cause such harm are substituted with safer alternatives.

6.1 Our main objectives for 2019 are:

1. *To work within technical policy processes, particularly at EU level, to help obtain a regulatory system that identifies and controls endocrine disrupting chemicals*

CHEM Trust will continue to be one of the leading stakeholders within the EU on the debate on how chemicals are managed, advising both policymakers and other civil society groups.

CHEM Trust will be particularly focussing on ensuring that the EU Parliament and EU Council react strongly to the Commission's weak framework on EDCs. We will encourage the EU Commission to identify and fix policy gaps in EDC regulation, push for more endocrine disruptors to be identified under REACH, and push for more regulations to be based on groups of chemicals.

CHEM Trust will also work to improve the regulatory approach for persistent and mobile chemicals, and work to raise awareness among scientists and the medical community to advocate for regulation on neurotoxins at the UK and EU level.

2. *To widen the understanding of the problems posed by endocrine disrupting chemicals (EDCs) and other hazardous chemicals among our key strategic audiences.*

CHEM Trust will work to communicate effectively new and existing science on EDCs and other hazardous chemicals to our key strategic audiences, with a particular focus on EU-level policy makers and influencers.

CHEM Trust will highlight the issue of chemicals in everyday products and the actions that audiences can take to protect humans and wildlife from hazardous chemicals. We will also work to ensure that toxic chemicals become a key part of campaigns on plastics and share the results of our "Hazardous Chemicals in Plastic Packaging" project with key audiences.

During 2019 CHEM Trust will develop a new public facing subsite to provide more information and actions that consumers can take to press for the removal of EDCs from everyday products.

3. *To highlight the poor EU regulatory system for chemicals in food contact packaging amongst policy makers, Member States and NGOs*

Some chemicals used in food contact packaging are hormone disrupters, and the regulations governing the use of such chemicals are widely accepted to be deficient.

CHEM Trust will closely follow the European Commission's review of FCM regulations in 2019, and push for integration of FCM regulations with REACH data and processes. We will hold a workshop in April 2019 with Member States and experts to discuss this potential for integration.

CHEM Trust will formulate key principles for future regulations and distribute these amongst policy makers and NGOs. We will work with MEPs to ensure an FCM-focus when questioning the new Commission in the autumn of 2019.

CHEM Trust will take opportunities offered to speak at conferences on this issue.

4. *To work to ensure that the outcome of the UK's referendum on EU membership does not result in weaker regulation of chemicals within the UK, by ensuring that the UK remains part of REACH*

The UK's vote to leave the European Union threatens the protection of public health and the environment within the UK, as the vast majority of the UK's chemical regulations come from EU law. Given that the EU is generally recognised to have the most sophisticated chemical regulations in the world, CHEM Trust will continue to work to keep the UK as close to the EU system as possible. We will work to create deeper engagement with politicians, industry and UK-based NGOs on the issue of chemical regulation post-Brexit.

CHEM Trust will also continue to work at EU level to promote the benefits to the EU27 of the UK staying within REACH post-Brexit.

CHEM Trust will seek continued funding to be able to deliver this work.

5. ***To work to ensure that more persistent organic pollutants (POPs) are identified and regulated, and to increase public awareness of marine pollution by POPs and microplastics***

Persistent chemicals, such as those addressed by the Stockholm Convention, are not a high-profile issue in the UK at the moment. Current public interest in plastics provides CHEM Trust with an opportunity to increase awareness of persistent pollutants.

CHEM Trust will work within the EU and UK to push for the identification and regulation of persistent chemicals, including the addition of new persistent chemicals to the Stockholm Convention, and encouraging a focus on the issue of these chemicals within a circular economy.

CHEM Trust will work to increase the awareness of persistent chemicals in the UK, and will encourage UK NGOs to take action on them.

6. ***To ensure that CHEM Trust Europe eV and CHEM Trust work together as an effective partnership and are respected as a legitimate and expert voice on EU chemicals policy***

Following the UK's vote to leave the European Union, CHEM Trust now has a partner German organisation, CHEM Trust Europe eV. CHEM Trust has transferred its status as an ECHA stakeholder to CHEM Trust Europe eV and this also provides an opportunity to get involved in the debates around chemicals in Germany.

CHEM Trust will work to ensure that both organisations are well run and deliver on objectives effectively. CHEM Trust will identify opportunities to apply for funding for specific projects as CHEM Trust Europe eV. A German sub-site on the current website will also be developed.

7. To maintain and increase the funding of the organisation.

CHEM Trust is the leading technical not-for-profit environmental and health group within the UK focussing on the harm caused by both industrial and agricultural chemicals. We therefore present a unique opportunity for funders to invest in an area which will be of lasting benefit for human and wildlife health. CHEM Trust will continue to identify and approach new foundations in 2019 in order to fund CHEM Trust's expansion and to ensure that we have a diverse funding base. To ensure this diversity we will seek funding from foundations based in the UK, Europe and the USA. We will continue to use external fundraising advisors where.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of CHEM Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law and Charity law requires the trustees to prepare financial statements for each financial year which 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 the trustees are aware:

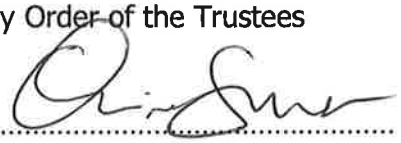
- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

INDEPENDENT EXAMINER

On 31st March 2019, Knox Cropper, the Charity's independent Examiner, transferred its business to Knox Cropper LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. The Trustees have consented to treating the appointment of Knox Cropper as extending to Knox Cropper LLP.

By Order of the Trustees



Oliver Smith (Chair)

Date: 16th July 2019

CHEM TRUST
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31st DECEMBER 2018

	Notes	Unrestricted funds	Restricted funds	Total 2018	Unrestricted funds	Restricted funds	Total 2017
		£	£	£	£	£	£
INCOME FROM							
Grants and donations	2	290,914	218,010	508,924	291,503	39,994	331,497
Interest		712	-	712	254	-	254
Other income		548	-	548	708	-	708
TOTAL		292,174		510,184	292,465	39,994	332,459
EXPENDITURE ON							
Raising funds		38,456	-	38,456	30,673	-	30,673
Charitable Expenditure		248,099	108,560	356,659	202,051	11,104	213,155
TOTAL	3	286,555	108,560	395,115	232,724	11,104	243,828
Net Income/(Expenditure) for the year		5,619	109,450	115,069	59,741	28,890	88,631
Transfers between funds		-	-	-	-	-	-
NET MOVEMENT IN FUNDS		5,619	109,450	115,069	59,741	28,890	88,631
Total Funds Brought Forward		223,882	28,890	252,772	164,141	-	164,141
Total Funds Carried Forward		229,501	138,340	367,841	223,882	28,890	252,772

The company's income and expenditure all relate to continuing activities. The notes form part of these financial statements.

CHEM TRUST
BALANCE SHEET
AS AT 31ST DECEMBER 2018

	Notes	2018		2017	
		£	£	£	£
FIXED ASSETS	5		3,554		2,570
CURRENT ASSETS					
Debtors	6	1,340		11,609	
Cash at Bank and in hand		395,709		254,710	
		397,049		266,319	
CREDITORS: Amounts falling due within one year	7	(32,762)		(16,117)	
NET CURRENT ASSETS			364,287		250,202
NET ASSETS			367,841		252,772
FUNDS					
Restricted Funds	9		138,340		28,890
Unrestricted Funds	8		229,501		223,882
			367,841		252,772

The Company is exempt from the requirements relating to preparing audited accounts in accordance with Section 477 of the Companies Act 2006. The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Trustees on 16th July 2019 and were signed on their behalf by:

Oliver Smith (Chair)

Company Registration Number: 05933897
Charity Registration Number: 1118182
The notes form part of these financial statements.

CHEM TRUST
STATEMENT OF CASH FLOW
AS AT 31ST DECEMBER 2018

	2018 £	2017 £
Cash flows from operating activities:		
Net cash provided by/(used in) operating activities	142,725	94,619
Cash flows from investing activities:		
Dividends and interest from investments	712	254
Purchase of property, plant and equipment	(2,438)	(1,808)
Proceeds from sale of assets	-	-
Purchase of investments	-	-
Net cash provided by/(used in) investing activities	(1,726)	(1,554)
Change in cash and cash equivalents in the reporting period	140,999	93,065
Cash and cash equivalents at the beginning of the reporting period	254,710	161,645
Cash and cash equivalents at the end of the reporting period	395,709	254,710

Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2018 £	2017 £
Net income/(expenditure) for the reporting period	115,069	88,631
Depreciation charges	1,454	966
(Gains)/losses on investments	-	-
Dividends and interest from investments	(712)	(254)
(Increase)/decrease in debtors	10,269	(944)
Increase/(decrease) in creditors	16,645	6,220
(Increase)/decrease in stock	-	-
Loss on sale of assets	-	-
Net cash provided by/(used in) operating activities	142,725	94,619

CHEM TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2018

1. Accounting Policies

Basis of preparation of accounts

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Financial Reporting Standard 102 and with the Charities SORP (FRS 102) "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)", and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Deferred income represents amounts received for future periods and is released to incoming resources in period for which it has been received.

Resources Expended

Expenditure is accounted for on an accruals basis and has been classified under the headings that aggregate all cost related to the category. Where costs cannot be directly attributable to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc. – 20% straight line

Individual fixed assets costing £500 or more are initially recorded at cost.

Taxation
The charity is exempt from corporation tax on its charitable activities.

Pension
The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Foreign currencies
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 of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

2. Voluntary income

The analysis of voluntary income for the year is as follows:	2018 £	2017 £
Grants	508,913	331,426
Donation	11	71
	508,924	331,497

3. Total resources expended

The charitable expenditure of CHEM Trust relates to various projects to highlight the scientific research linking exposure to chemicals to harmful effects on health. The analysis of expenditure is:

	2018			
	Raising funds	**Charitable activities**	**Total 2018**	**Total 2017**
	£	£	£	£
Direct costs				
Fundraising	17,856	-	17,856	17,298
Web management and IT support	-	827	827	429
Out-house consultancy	-	125,927	125,927	45,917
Legal costs		11,908	11,908	-
Travel and expenses	-	19,594	19,594	9,272
Foreign currency (gains)/losses	-	577	577	(3,015)
	17,856	158,833	176,689	69,901
Support costs				
Employment costs	20,600	161,237	181,837	148,080
Insurance	-	2,296	2,296	1,614
Bookkeeping	-	6,813	6,813	6,564
Office expenses & PPS	-	22,943	22,943	15,387
PR Communication	-	1,689	1,689	-
Independent examination	-	1,200	1,200	1,200
Bank charges	-	194	194	116
Depreciation	-	1,454	1,454	966
	20,600	197,826	218,426	173,927
	38,456	356,659	395,115	243,828

Governance costs included in Charitable activities:	**2018**	**2017**
	£	**£**
Employment costs	3,200	3,000
Bookkeeping fee	675	675
Independent examination	1,200	1,200
	5,075	4,875

Legal costs of £11,908 represents costs of setting up CHEM Trust Europe e.v. and drawing up the Collaboration Agreement and Licence of Intellectual Property Rights.

4. Staff and Related costs

	2018 £	2017 £
Wages and Salaries	154,078	125,982
Social Security Costs	15,731	12,230
Pension Costs	12,028	9,868
	181,837	148,080
	No	No
The average number of employees during the year was:	6	5

No employees received emoluments of more than £60,000.

The remuneration of Senior Management amounted to £60,527 (2017: £52,867).

Trustees Remuneration and Benefits
There were no trustees' remuneration or other benefits for the year ended 31st December 2018, nor for the year ended 31st December 2017.

Trustees' expenses
One trustee was reimbursed a total of £216 (2017: nil) for travel expenses to attend a meeting in connection with their duties.

5. Tangible fixed assets

	2018 £
Cost	
At 1 January 2018	6,095
Additions	2,438
Disposals	-
At 31 December 2018	8,533
Depreciation	
At 1 January 2018	3,525
Charge for the year	1,454
Disposals	-
At 31 December 2018	4,979
Net book value at 31 December 2018	3,554
Net book value at 31 December 2017	2,570

6. Debtors: Amounts falling due within one year

	2018 £	2017 £
Accrued income	-	11,153
Prepayments	1,340	456
	1,340	11,609

7. Creditors: Amounts falling due within one year

	2018 £	2017 £
Other Creditors	28,489	12,615
Taxation and Social Security	4,273	3,502
	32,762	16,117

CHEM TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2018

8. Unrestricted funds

	Balance 01/01/18	Transfers	Net Incoming Resources	Balance 31/12/18
	£		£	£
General funds	173,882	-	5,619	179,501
Designated funds – Brexit Fund	50,000	-	-	50,000
	223,882	-	5,619	229,501

Brexit Fund £50,000 was designated towards the cost of changes in chemical regulation due to Brexit.

9. Restricted funds

	Balance 01/01/18	Income	Expenditure	Transfers	Balance 31/12/18
	£	£	£	£	£
GET / Brexit Campaigner	10,000	20,000	(20,000)	-	10,000
MAVA / Food Packaging Forum	18,890	19,994	(23,387)	-	15,497
EFF Brexit EU27 project	-	40,000	(17,468)	-	22,532
Adessium	-	88,016	(38,776)	-	49,240
Other	-	50,000	(8,929)	-	41,071
	28,890	218,010	(108,560)		138,340

GET/Brexit Campaigner represent funds to keep the UK in EU chemical regulations after Brexit, to ensure the UK doesn't become a dumping ground for harmful chemicals.

MAVA/Food Packaging represents funds towards the project "Hazardous chemicals in plastic packaging: A state of the art prioritization, and assessment".

EFF Brexit EU27 Project – to understand, engage with and influence the EU27 discussion on Brexit, in order to maximise the protection of the UK environment from harmful chemicals after Brexit.

Adessium represent funds to support CHEM Trust's work regarding the review of REACH and EU regulation on food contact materials.

Other – funds to increase understanding of the invisible accumulate problem of Persistent chemicals to ensure they are better addressed.

10. Analysis of net assets between funds

	Restricted	Un-Restricted	Total
	£	£	£
Tangible Fixed Assets	-	4,554	3,554
Net Current Assets	139,340	224,947	364,287
	138,340	229,501	367,841

11. Related Party Transactions

During the year the printing of a report was carried out by Print Guy Ltd for total cost of £895. Print Guy Ltd is a company owed by Elizabeth Salter Green's husband. Elizabeth Salter Green is a Director of the charitable company.

There were no other related party transactions.

12. Going concern

The trustees have reviewed the financial position of the Trust, and in particular the level of reserves, and on the basis of current projections, they are satisfied that the Trust remains a going concern for the foreseeable future.

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF CHEM TRUST FOR THE YEAR ENDED 31 DECEMBER 2018

I report to the charity trustees on my examination of the accounts of CHEM Trust for the year ended 31 December 2018.

Responsibilities and basis of report

As the trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act'). You are satisfied that the accounts of the Company are not required by charity or company law to be audited and have chosen instead to have an independent examination.

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I can confirm that I am qualified to undertake the examination because I am a registered member of ICAEW which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Kevin Lally

Kevin Lally FCA
Knox Cropper LLP
Chartered Accountants
65/68 Leadenhall Street
London EC3A 2AD

Date: 12th August 2019