

FAIRSHARE EDUCATIONAL FOUNDATION
(A Company Limited by Guarantee)

REPORT AND ACCOUNTS
FOR THE YEAR ENDED
31ST JANUARY 2014

Registered Company Number: 05013662

Registered Charity Number: 1117244

CV&H

Cocke, Vellacott & Hill
Chartered Accountants
Unit 3 Dock Offices, Surrey Quays Road
Surrey Quays, LONDON, SE16 2XU

INDEX TO THE FINANCIAL STATEMENTS

	<u>Pages</u>
Legal and administrative information	1
Report of the Chair of the Board	2
Report of the Trustees	3 - 7
Independent auditors' report	8
Statement of financial activities and income and expenditure account	9
Balance sheet	10
Notes to the accounts	11 – 19
 <i>The following pages do not form part of the statutory financial statements</i>	
Cash flow statement	20

FAIRSHARE EDUCATIONAL FOUNDATION
(A Company Limited by Guarantee)

LEGAL AND ADMINISTRATIVE INFORMATION

BOARD OF TRUSTEES AND DIRECTORS

Jenine Langrish (Chair)
Nicholas Tatman (Treasurer)
Stephen Davis
Caroline Instance
Roger Jeary
Mick McAteer
Lenka Setkova

SECRETARY

Louise Rouse

CHIEF EXECUTIVE

Catherine Howarth

CHARITY NAME

Fairshare Educational Foundation
(Trading as ShareAction)

PRINCIPAL AND REGISTERED OFFICE

Ground Floor
16 Crucifix Lane
LONDON
SE1 3JW

AUDITORS

Cocke, Vellacott & Hill
Unit 3 Dock Offices
Surrey Quays Road
Surrey Quays
LONDON SE16 2XU

SOLICITORS

Wrigleys
19 Cookridge Street
LEEDS
LS2 3AG

BANKERS

Unity Trust Bank plc
Nine Brindleyplace
Birmingham
B1 2HB

REGISTERED COMPANY NUMBER

05013662

CHARITY REGISTRATION NUMBER

1117244

REPORT OF THE CHAIR OF THE BOARD

I am delighted to report that 2013/14 has been another year of significant progress for ShareAction. The generosity of our funders, members and individual supporters has enabled us to increase our income to a record £542,696. We thank you all for your ongoing support for our work.

The growth in our income has enabled us to expand our capacity and build our campaigning, research and educational activities and so increase our reach and impact. Our spend on charitable activities has risen by over 28% during the year. We have helped to gain real change in areas such as the Living Wage and corporate lobbying.

Moreover, our training work has empowered more and more people to take action and thus helped to extend the movement for responsible investment well beyond what we could achieve with our staff resources alone.

We have focused on a number of important issues during the year, but in particular on climate change which is a growing threat to both current and future generations. This work, through our Green Light campaign, will continue in 2014/15.

Our promotion of responsible investment has traditionally targeted pension funds, but in the last year we have increasingly worked with charities to help them use their investments to make a positive impact and to further their charitable objectives. Our Charities Responsible Investment Network has got off to a great start and we intend to expand our work in this area in the coming year. To reflect the wider range of our work, early in 2013 we changed our name from Fairpensions to ShareAction, which we feel better describes the varied work that we do.

More details of our work can be found in the Trustees' report that follows.

During the year two Trustees; former Chair Jeremy Nicholls, and Adrian Cruden, both left the board. We thank them for their contributions to ShareAction during their terms of office. I'm pleased to say that we have been able to recruit three high quality replacements: Stephen Davis has brought expertise in corporate governance and a valuable network of US contacts; Mick McAteer contributes specialist knowledge of the financial services and regulatory sectors; and Nicholas Tatman brings both financial expertise and experience of endowed foundations. We plan to further strengthen our board in 2014/15 and to identify a Chair elect, as I'm sad to say that my term will end in May 2015.

I would like to also thank our staff for their continued hard work and enthusiasm during the year. We are lucky to employ a dedicated and motivated team of staff. In particular I would like to thank our Chief Executive, Catherine Howarth, who brings great energy and leadership to the charity. We have seen several staff members move on during the year, and we thank them for their contribution and wish them well for their future careers. I've been hugely impressed with our new joiners, who I am confident will help us continue and develop their work

Looking forward, we have exciting plans for 2014/15. We plan to extend our program of questions to directors of large publicly listed companies at their Annual General Meetings. We also plan to extend our work with the charity sector to include operational charities in addition to those with endowments. We will, of course, also look to sustain our work with UK pension funds and on public policy.

We thank you for your support in 2013/14. We have enjoyed working with you in the last year and hope you will continue to work with us in the coming year.

JENINE LANGRISH
Chair

REPORT OF THE TRUSTEES

For the year ended 31st January 2014

The Trustees present their report together with the audited accounts of the charitable company for the year ended 31st January 2014. The accounts comply with current statutory requirements, the requirements of the charitable company's governing document and the requirements of the SORP "Accounting and Reporting by Charities (revised 2005)". This report combines the Trustees' annual report for the purposes of the Charities Act 1993 and the directors' report for the purposes of the Companies Act 2006.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Fairshare Educational Foundation (trading as ShareAction) is a company limited by guarantee without share capital and since December 2006 also a registered charity. The company was established under a Memorandum of Association (subsequently amended) which established the objects and powers of the charitable company and is governed under its Articles of Association. Each member's liability is limited to £1.

Recruitment and appointment of trustees

The directors of the company are also charity trustees for the purposes of charity law. The trustees are elected at the Annual General Meeting or may be co-opted by the trustees to fill a vacancy or to bring the number of trustees up to the maximum number allowed by the Memorandum and Articles of Association. Any retiring trustee may be reappointed provided that their period in office does not exceed six consecutive years.

Induction and training of trustees

Most trustees already have experience of charitable organisations on appointment. This is developed further through their work with ShareAction. The Trustees spend a full day together to review the charity's strategy and progress annually. The Chair undertakes a board review each year involving each trustee in making an appraisal of their contribution, skills and areas for development.

Organisational Structure

The Trustees are required to hold at least three meetings each year and currently meet four times a year. The Trustees assisted by the Chief Executive are responsible for the governance of the charitable company. Trustees oversee and agree the strategy of the charity. In order to deliver the strategy, the Chief Executive prepares an Operational Plan and budget for review by the trustees ahead of each financial year. Once agreed, this document, which includes a range of key performance indicators, is used to measure and assess progress at the quarterly meetings of the board.

The members of the Board of Trustees who served as Trustees (and directors of the company) during the year were:

Jenine Langrish	
Adrian Cruden	(retired on 18 April 2013)
Stephen Davis	(appointed on 18 April 2013)
Caroline Instance	
Roger Jeary	
Mick McAteer	(appointed on 18 April 2013)
Jeremy Nicholls	(retired on 18 April 2013)
Lenka Setkova	
Nicholas Tatman	(appointed on 18 April 2013)

Risk management

The Trustees consider the greatest risk and uncertainty facing the charitable company to be its dependence on a narrow range of major sources of funding and the cash-flow problems that could thereby ensue. Secondary only to this is the risk of inadequate returns on continuing fundraising. The next most significant risks are the loss of key personnel and the risk of legal action. The board continues to review these risks on a regular basis and works to ensure they are appropriately minimised.

REPORT OF THE TRUSTEES (continued)

For the year ended 31st January 2014

OBJECTIVES AND ACTIVITIES

ShareAction's (previously called FairPensions) core charitable objective is the promotion of responsible investment for the public benefit in order to advance: the relief of poverty, protection of the environment, promotion of human rights, sustainable development, and compliance with the law and ethical standards of conduct. The following ancillary charitable objectives complement this core object; to advance the education of the public in the principles and effects of ethical investment; and to undertake and promote research relating to ethical investment and making the useful results publicly available. The company has been set up as a non-profit making charitable company. In designing their policies to meet their objectives the trustees have paid due regard to the Charity Commission's guidance on public benefit.

During the financial year ending 31st January 2014, these objectives were fulfilled by undertaking the following range of activities:

- Engaging with institutional investors and their investee companies on a wide range of social and environmental themes including Living Wages, executive remuneration, climate change, operational risk in the oil and gas industry, clinical trial data, corporate lobbying expenditure and transparency, human trafficking in company supply chains, auditor independence, and the protection of digital human rights.
- We published a major report, *The Green Light Report: Resilient Portfolios in an Uncertain World*, on the growing risks for pension fund portfolios presented by climate change, and on the question of investor responsibility for man-made climate change associated with high carbon holdings. We also published a report called *Our Money, Our Business* setting out the case for giving savers stronger rights in the investment system. This was published in conjunction with a best practice guide for pension schemes on engaging members about responsible investment and company stewardship.
- We submitted ten detailed responses to public consultations run by regulatory bodies and government departments. The largest of these was our 17,000 word submission to the Law Commission's Review on the Fiduciary Duties of Investment Intermediaries. On the strength of these submissions, we were invited to meet with and explain our analysis to government ministers, the Law Commission, and a range of senior civil servants and regulators. We were invited to give evidence to two Parliamentary Select Committees (on the Kay Review and on Green Finance).
- We ran eight training events during the year, including one for pension trustees on climate risks. The training we provided to people on how to ask good questions at a company AGM led to 18 people with no previous experience of attending a company AGM asking questions and securing responses from the boards of a wide range of UK listed companies.

ACHIEVEMENTS AND PERFORMANCE

Significant achievements during the year included the following:

- We launched the *Charities Responsible Investment Network*, with seven endowed trusts coming together with the intention of becoming more responsible and engaged as shareowners. The assets of the UK's foundation sector, whilst very much smaller than the pensions sector, are significant. Despite this, awareness and support for Responsible Investment has been slow to penetrate the sector. The establishment by ShareAction of a foundations network aimed at building skills, knowledge and commitment to invest responsibly is a very positive achievement of this financial year. Details about the network can be found at:
www.shareaction.org/charityinvestment
- Our major initiative in the pensions sector during the year was the Green Light project, which launched publicly at a well-attended investor event addressed by the Pensions Minister, Steve Webb MP. The Minister endorsed the project and ShareAction's work on investor fiduciary duties. The *Green Light Report: Resilient Portfolios in an Uncertain World*, was sent to 200 of the UK's largest pension funds as well as to the major investment consulting firms. It sets out 22 recommendations for UK pension funds to more effectively manage climate change risks and transition their portfolios to a lower carbon intensity. We ran four seminars for pensions and investment industry players, policy makers and civil society experts to work through the material covered in the four major chapters of the Green Light Report. These seminars provided us with expertise and also helped to build a community of support for the programme of advocacy that now follows. The public launch was the start of a three year project to transform our pensions sector into climate-credible investors.

REPORT OF THE TRUSTEES (continued)
For the year ended 31st January 2014

ACHIEVEMENTS AND PERFORMANCE (continued)

Significant achievements during the year included the following:

- During the year we changed our name to ShareAction from FairPensions. This was a major decision for the organisation. We launched the new name at our Annual Guest Lecture which was delivered by Al Gore in the Guildhall. Over 400 investment industry and civil society leaders attended the event, which was by far our highest-profile Guest Lecture to date and very well received by the diverse audience. The name change has been almost universally well received by our varied stakeholders and bedded down much quicker than might have been anticipated.
- We also moved office to new premises also in the London Bridge area. Our new office is larger and comfortably accommodates our growing team.
- We hired a new staff member to work on digital activism with the aim of growing our database of people willing to take on-line actions in support of responsible investment and responsible corporate activity. It rapidly became apparent what a good use of charity funds this appointment was. Supporter engagement was far stronger by the end of the year and our reach on social media has grown rapidly. Pension funds and their investee companies responded positively to the messages and emails sent by fund members using ShareAction's digital tools. On-line campaign actions were launched in the Spring on the 'Carbon Bubble', at the time of the Green Light launch and during Living Wage week.
- 107 people attended training run by ShareAction during the year. The majority of these were learning about how company AGMs work and how to ask a succinct and effective question of a board of directors. We helped people get to over 30 company AGMs and ask over 50 questions on a wide range of corporate responsibility topics. Our questions and follow up engagements results in some notable changes in policy by companies including a decision by GSK and AstraZeneca to withdraw from the US lobbying organisation, ALEC. Legal and General and SSE both announced they were becoming Living Wage employers and were our two highest profile wins for the Living Wage campaign.

PUBLIC BENEFIT

The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. Our continued success in prompting institutional investors to improve their responsible investment policy and practice (see "achievements and performance", above) contributes to embedding better practice within the UK's investment community. The result is that corporate environmental and social impacts, and corporate compliance with legal and ethical standards, are more routinely and actively managed by investors.

ShareAction delivered public benefit in a variety of ways in 2013/14.

As previously, our work on Living Wage standards has helped to reduce poverty by raising the wages of the lowest paid people in the UK economy. During the year in question an additional 5 FTSE 100 companies made a commitment to Living Wages following investor engagement and AGMs questions that were co-ordinated by ShareAction. Our work on oil company operations in the Arctic, Ecuador and Nigeria helped to protect people and the environment by ensuring higher standards of environmental risk management are observed by major oil and gas companies. Our work on tax transparency with Christian Aid continued to raise awareness on the boards of major UK companies of the importance of paying a fair share of tax in developing countries, which should contribute to development and poverty reduction in the global South.

Our training events helped to equip and support people in the UK who want to use their investments as a leverage point for dialogue with companies about positive social and environmental policies. The feedback from our training has shown how empowering people find it to access the knowledge and skills required for an effective conversation with major investors and company directors.

REPORT OF THE TRUSTEES (continued)

For the year ended 31st January 2014

PUBLIC BENEFIT (continued)

Finally, our work also delivers financial and economic benefit to pension savers in a period when pensions automatic enrolment is growing by up to 10 million the number of people with private pension savings. Companies with good standards of governance that pay close attention to their social impacts and environmental footprint, and which act conscientiously within the law and in line with international conventions on human rights, are increasingly proving themselves to be a safer financial investment than companies performing less well in these areas. Our work to promote responsible investment and responsible corporate behaviour helps to safeguard the retirement savings of many millions of working people in the UK.

FINANCIAL REVIEW

Membership income for the year was up on last year. Seventeen member organisations (including two associate members) contributed fees amounting to £26,300 (2013 – fourteen full and one associate - £24,100) during the year. The charitable company received grants from twenty five organisations (2013 - seventeen) totalling £485,932 (2013 - £310,347) (including campaigning and education income). Of these nineteen were restricted as shown in note 2 to the accounts. In addition it received donations from its supporters of £28,104 (2013 - £32,796). Expenses amounted to £531,065 (2013 - £363,040) leaving a total surplus of £13,431 (2013 - surplus £8,350) to be transferred to reserves.

The Trustees consider the results to be satisfactory but are looking to expand the range of sources from which we secure income during the current year.

Reserves policy

It is the policy of the charitable company to try to ensure that the lowest level of general funds over the financial year is equivalent to approximately three months operating costs. The Board will review this policy at regular intervals to ensure that the level of free reserves maintained is adequate for the charitable company's purposes.

PLANS FOR FUTURE PERIODS

The charity is coming towards the end of a five-year strategy set down in a public document called a *Strategic Framework 2011-2016*. During 2015, the strategy of the charity will be fully reviewed. We anticipate staying close to the current strategy, which continues to feel relevant and appropriate for the objects of the charity.

TRUSTEES' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the company and of the income and expenditure account of the company for that period. In preparing those financial statements, the directors are required to: -

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

FAIRSHARE EDUCATIONAL FOUNDATION
(A Company Limited by Guarantee)

REPORT OF THE TRUSTEES (continued)
For the year ended 31st January 2014

AUDIT ENQUIRIES

In accordance with company law, as the company's directors, we certify that:

- So far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- As the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

INDEMNITY INSURANCE

Indemnity insurance for the charity trustees and directors against any liability in connection with their roles in relation to the charitable company was in place at the year-end and during the year under review.

AUDITORS

The auditors, Messrs. Cocke, Vellacott & Hill have expressed their willingness to continue in office.

By Order of the Board

JENINE LANGRISH
Chair



16th July 2014

FAIRSHARE EDUCATIONAL FOUNDATION
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
FAIRSHARE EDUCATIONAL FOUNDATION**

We have audited the financial statements of Fairshare Educational Foundation for the year ended 31st January 2014 set out on pages 9 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 6 the trustees (who are directors for the purposes of company law) are responsible for the preparation and presentation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the trustees' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st January 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

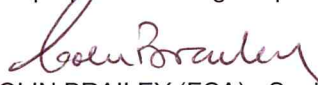
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.



COLIN BRAILEY (FCA) - Senior Statutory Auditor

For and on behalf of
COCKE, VELLACOTT & HILL
Statutory Auditor and Chartered Accountants
Unit 3 Dock Offices
Surrey Quays Road
LONDON
SE16 2XU

Date: 3rd October 2014

FAIRSHARE EDUCATIONAL FOUNDATION
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31st January 2014

(Incorporating the income and expenditure account)

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2014 £	Total Funds 2013 £
INCOMING RESOURCES					
<i>Incoming resources from generated funds</i>					
<i>Voluntary income</i>					
Grants and donations	2	164,771	-	164,771	238,376
Membership subscriptions	2	26,300	-	26,300	24,100
<i>Investment income</i>					
Bank interest receivable		1,599	-	1,599	2,798
<i>Incoming resources from charitable activities</i>					
Campaigning and education	2	-	349,265	349,265	104,597
<i>Other incoming resources</i>					
		761	-	761	1,519
Total incoming resources		193,431	349,265	542,696	371,390
RESOURCES EXPENDED					
<i>Costs of generating funds</i>					
Costs of generating voluntary income	3	8,753	22,878	31,631	26,569
<i>Charitable activities</i>					
Campaigning and education	3	160,083	317,471	477,554	317,504
<i>Governance costs</i>					
	3	12,964	8,916	21,880	18,967
Total resources expended		181,800	349,265	531,065	363,040
NET INCOMING (OUTGOING) RESOURCES FOR THE YEAR					
		11,631	-	11,631	8,350
Reconciliation of funds					
Total funds brought forward		216,035	-	216,035	207,685
TOTAL FUNDS CARRIED FORWARD	10	227,666	-	227,666	216,035

All of the operations undertaken by the charitable company during the current and preceding year are continuing operations.

There is no difference between the net incoming resources and the retained net income for the year stated above, and their historical cost equivalents.

The charitable company has no recognised gains and losses other than those included in the income and expenditure account above, and therefore no separate statement of total recognised gains and losses has been prepared.

The notes on pages 11 to 19 form part of these accounts.

FAIRSHARE EDUCATIONAL FOUNDATION
(A Company Limited by Guarantee)

BALANCE SHEET
As at 31st January 2014

	Notes	2014 £	2013 £
FIXED ASSETS			
Tangible assets	6	6,563	1,375
Investments	7	491	-
Total fixed assets		<u>7,054</u>	<u>1,375</u>
CURRENT ASSETS			
Debtors	8	53,658	42,151
Cash at bank		262,130	238,882
Total current assets		<u>315,788</u>	<u>281,033</u>
LIABILITIES			
Creditors: Amounts falling due within one year	9	(95,176)	(66,373)
Net current assets (liabilities)		<u>220,612</u>	<u>214,660</u>
Total assets less current liabilities		<u><u>227,666</u></u>	<u><u>216,035</u></u>
FUNDS OF THE CHARITY			
Unrestricted income funds: General fund	10	227,666	216,035
Restricted income funds	10	-	-
Total charity funds	10	<u><u>227,666</u></u>	<u><u>216,035</u></u>

The Financial Statements were approved by the Board of Directors on 16th July 2014 and signed on their behalf by: -



JENINE LANGRISH - Chair of the Board of Directors

Registered Company Number: 05013662

The notes on pages 11 to 19 form part of these accounts.

NOTES TO THE ACCOUNTS

For the year ended 31st January 2014

1. Principal accounting policies

(a) Basis of accounting

The accounts of the charitable company are prepared under the historical cost convention. The accounts for the previous period are for the year ended on 31st January 2014. The financial statements are also prepared in accordance with applicable Accounting Standards, the Companies Act 2006 and with the recommendations of Statement of Recommended Practice "Accounting and Reporting by Charities" revised in 2005.

(b) Cash flow statement

The charitable company qualifies as a small company under the Companies Act 2006 and the Trustees have elected to take advantage of the exemption under FRS1 not to prepare a cash flow statement.

(c) Incoming resources

Incoming resources including grants received are recognised in the period in which the charitable company becomes legally entitled to the income and that income can be measured with reasonable certainty. Income is deferred if the donor specifies conditions that the income is to be expended in a future period.

Income from membership subscriptions is accounted for when receivable. Fees relating to the subsequent period are carried forward as deferred income. Subscriptions are non-refundable.

(d) Resources expended

Resources expended are recognised on an accruals basis in the period in which they are incurred. They include related VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with attracting voluntary income together with an apportionment of overhead and support costs.
- Charitable activities expenditure comprises those costs incurred by the charity in the delivery of its activities and services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements. These include the audit fees and costs linked to the strategic management of the charity.

Expenditure incurred on activities falling directly within one cost category is attributed to that category. Expenditure which cannot be directly attributed is apportioned on a reasonable, justifiable and consistent basis to the cost categories involved, e.g. allocating management costs by staff time.

(e) Tangible fixed assets

Additions to computer equipment, furniture, fixtures and fittings are capitalised where material and depreciated over their useful lives.

Depreciation is provided at the following rates:

Computer equipment	-	25% per annum (on cost)
--------------------	---	-------------------------

(f) Pensions

The charitable company contributes to pension arrangements on behalf of its employees. Contributions payable for the year are charged to the income and expenditure account.

(g) Operating leases

Operating lease rentals are charged to the income and expenditure account as incurred.

(h) Taxation

Provision for corporation tax is not necessary, as the company is a registered charity. No deferred tax provision is required.

Tax recovered from voluntary income received under gift aid is recognised when the related income is receivable and is allocated to the income category to which the income relates.

(i) Foreign currency

Transactions in foreign currencies are translated into sterling at the exchange rate in operation on the date of the transaction. Assets and liabilities denominated in foreign currencies are translated into sterling at the closing rates at the year end date. All revaluation differences and foreign exchange differences are taken to the statement of financial activities.

(j) Fixed asset Investments

Investments are shown at market value. For listed investments, market value is based on the closing middle market price on a recognised stock exchange.

Realised and unrealised gains and losses are taken to the Statement of Financial Activities as they arise.

FAIRSHARE EDUCATIONAL FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st January 2014

2. Analysis of incoming resources

<i>(a) Incoming resources from generated funds</i>	General Fund £	Restricted Fund £	Total 2014 £	Total 2013 £
Voluntary income				
Grants and donations received				
<i>Grants:</i>				
The Sigrid Rausing Trust	5,000	-	5,000	60,000
The Joseph Rowntree Charitable Trust	35,000	-	35,000	30,417
Esmée Fairbairn	1,667	-	1,667	20,000
Lankelly Chase	30,000	-	30,000	30,000
Barrow Cadbury Trust	25,000	-	25,000	25,000
The Tudor Trust	40,000	-	40,000	20,000
Friends Provident Foundation	-	-	-	3,333
The Ashden Trust	-	-	-	15,000
Holly Hill Charitable Trust	-	-	-	2,000
<i>Donations:</i>				
Donations from NGOs – The Serve All Trust	500	-	500	-
Donations from NGOs - Workers Beer Co. (written off)	-	-	-	(1,170)
Donations from other organisations – World First FE	1,000	-	1,000	-
Donation from Unions – Unison Midlands	-	-	-	1,000
Donations from individuals	26,604	-	26,604	32,796
<i>Total grants and donations</i>	164,771	-	164,771	238,376
Membership fees				
<i>Full members:</i>				
Unite – the Union	2,000	-	2,000	2,000
EIRiS	1,000	-	1,000	1,000
Oxfam	2,000	-	2,000	2,000
WWF – UK	2,000	-	2,000	2,000
Unison	2,000	-	2,000	-
Greenpeace	2,000	-	2,000	2,000
Christian Aid	2,000	-	2,000	2,000
Access	1,000	-	1,000	1,000
Citizens UK	2,000	-	2,000	2,000
CAFOD	2,000	-	2,000	2,000
CWU	2,000	-	2,000	2,000
Friends of the Earth	2,000	-	2,000	2,000
Prospect	2,000	-	2,000	2,000
TSSA	1,000	-	1,000	1,000
University and College Union	-	-	-	1,000
Educational Institute of Scotland	1,000	-	1,000	-
	26,000	-	26,000	24,000
<i>Associate members:</i>				
Unison Midlands	100	-	100	-
University and College Union	200	-	200	-
Amicus Crawley	-	-	-	100
<i>Total membership fees</i>	26,300	-	26,300	24,100

FAIRSHARE EDUCATIONAL FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st January 2014

2. Analysis of incoming resources (continued)

(b) Incoming resources from charitable activities

	General Fund £	Restricted Fund £	Total 2014 £	Total 2013 £
<i>Campaigning and education</i>				
Grant from The Nuffield Foundation	-	67,432	67,432	3,431
Greenpeace	-	16,750	16,750	9,750
Amnesty International UK	-	8,000	8,000	16,000
Christian Aid	-	15,000	15,000	15,000
Friends of the Earth	-	9,333	9,333	2,167
Amazon Watch	-	27,000	27,000	27,000
WWF – UK	-	7,000	7,000	-
Trust for London	-	15,333	15,333	-
Tellus Mater	-	79,167	79,167	-
The Ashden Trust	-	20,000	20,000	-
Frederick Mulder	-	8,000	8,000	-
Generation Foundation	-	50,000	50,000	-
Barrow Cadbury Trust	-	3,750	3,750	-
The Joseph Rowntree Charitable Trust	-	3,750	3,750	-
The Joseph Rowntree Foundation	-	3,750	3,750	-
Lankelly Chase	-	3,750	3,750	-
Friends Provident Foundation	-	3,750	3,750	-
Polden Puckham Charitable Foundation	-	3,750	3,750	-
Holly Hill Charitable Trust	-	3,750	3,750	-
CAFOD	-	-	-	1,000
Network for Social Change	-	-	-	6,024
The Funding Network	-	-	-	24,225
Total income from charitable activities	-	349,265	349,265	104,597

Income above is after allowing for deferred income as follows:

	Deferred b/f £	Received in year £	Deferred c/f £	Income as above £
Grants – The Sigrid Rausing Trust	5,000	-	-	5,000
Grants – Joseph Rowntree Charitable Trust	5,833	35,000	(5,833)	35,000
Grants – Esmée Fairbairn Foundation	1,667	40,000	(40,000)	1,667
Grants – The Tudor Trust	20,000	40,000	(20,000)	40,000
Campaigning and education – Christian Aid	15,000	-	-	15,000
Campaigning and education – Friends of the Earth	1,083	8,250	-	9,333
Campaigning and education – Greenpeace	3,250	13,500	-	16,750
Campaigning and education – Barrow Cadbury	-	5,000	(1,250)	3,750
Campaigning and education – Joseph Rowntree Trust	-	5,000	(1,250)	3,750
Campaigning and education – Joseph Rowntree Foundation	-	5,000	(1,250)	3,750
Campaigning and education – Lankelly Chase	-	5,000	(1,250)	3,750
Campaigning and education – Friends Provident	-	5,000	(1,250)	3,750
Campaigning and education – Polden Puckham	-	5,000	(1,250)	3,750
Campaigning and education – Holly Hill	-	5,000	(1,250)	3,750
	51,833	74,583	74,583	

The amounts deferred above are shown as deferred income under creditors (note 9). The reasons for the deferral are explained under the accounting policies note 1(c).

FAIRSHARE EDUCATIONAL FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st January 2014

3. Total resources expended	Costs of generating funds £	Campaigning and education £	Governance costs £	Total 2014 £	Total 2013 £
<i>Direct costs:</i>					
Staff costs (see note 4)	-	95,096	-	95,096	52,454
Other staff expenses	-	-	-	-	980
Research & communication	-	54,558	-	54,558	28,715
Fundraising	8	-	-	8	340
Investment management cost	9	-	-	9	-
Auditors' remuneration					
Audit fee (including VAT)	-	-	2,400	2,400	1,848
Accountancy fees (including VAT)	-	-	840	840	852
Legal & professional fees	1,995	3,400	48	5,443	3,195
Travel & subsistence	-	545	254	799	901
Website and ICT expenses	-	99	-	99	-
<i>Support costs:</i>					
Staff costs (see note 4)	25,493	247,938	15,863	289,294	223,450
Other staff expenses	689	12,685	414	13,788	2,497
Legal and professional	50	922	30	1,002	-
Depreciation	142	2,619	85	2,846	958
Operating lease rentals (see note 11)	1,115	20,519	669	22,303	16,712
General office costs	1,215	22,357	729	24,301	16,719
Travel & subsistence	241	4,428	144	4,813	3,972
Website and ICT expenses	594	10,923	356	11,873	8,381
Bank charges	80	1,465	48	1,593	1,066
	<u>31,631</u>	<u>477,554</u>	<u>21,880</u>	<u>531,065</u>	<u>363,040</u>
<i>2013 Comparisons</i>	<u>26,569</u>	<u>317,504</u>	<u>18,967</u>	<u>363,040</u>	

Support costs are allocated on the basis of staff time.

4. Particulars of employees

	2014 No.	2013 No.
The average number of employees analysed by function was:		
Campaigning and education	11	8
Management and administration	1	1
	<u>12</u>	<u>9</u>
Their total remuneration was:		
	£	£
Salaries	331,420	237,696
Social security costs	32,687	23,755
Pension costs	20,283	14,453
	<u>384,390</u>	<u>275,904</u>

No employee earned more than £60,000 per annum (2013 – none).

No trustee received any remuneration for their services during the year (2013 – nil). One trustee (2013 – three) received reimbursement for travelling expenses of £159 (2013 – £698).

FAIRSHARE EDUCATIONAL FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st January 2014

5. Taxation

The company has been set up as a non-profit making charitable foundation and in December 2006 was registered as a charity and is therefore not liable to taxation on its charitable activities. Interest receivable by a charity is not liable to corporation tax and no tax has therefore been provided for.

6. Tangible fixed assets

	Computer equipment £	Total £
Cost or valuation		
Cost at 1st February 2013	8,782	8,782
Additions	8,034	8,034
	-----	-----
At 31st January 2014	16,816	16,816
	-----	-----
Accumulated depreciation		
Depreciation at 1st February 2013	7,407	7,407
Charge for the year	2,846	2,846
	-----	-----
At 31st January 2014	10,253	10,253
	-----	-----
Net book value 31st January 2014	6,563	6,563
	=====	=====
<i>Net book value 31st January 2013</i>	1,375	1,375
	=====	=====

All the tangible fixed assets are held for the charitable company's use.

7. Fixed asset investments

	2014 £	2013 £
Quoted Investments listed on the UK stock exchange:-		
Market value at 1 February 2013	-	-
Add: acquisitions at cost	97	-
Unrealised gains on revaluation	-	-
	-----	-----
	97	-
Cash held as part of investment portfolio	394	-
	-----	-----
Market value at 31 January 2014	491	-
	=====	=====
Historical cost at 31 January 2014	491	-
	=====	=====
Material investments - any exceeding 5% by value of the portfolio:-		
<u>Details</u>	<u>Nominal</u>	<u>Valuation</u>
	£	31.1.14 £
Hargreaves Lansdown Ord 0.4p shares	28	28
BHP Billiton Ord \$0.50	26	26
Associated British Foods	31	31
	=====	=====

FAIRSHARE EDUCATIONAL FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st January 2014

8. Debtors

	2014	2013
	£	£
Trade debtors	19,700	21,500
Other debtors	8,791	4,409
Prepayments	8,218	2,357
Accrued income	16,949	13,885
	53,658	42,151
	53,658	42,151

9. Creditors: Amounts falling due within one year

	2014	2013
	£	£
Trade creditors	1,517	3,875
Other taxes and social security costs	10,489	6,549
Other creditors	4,090	446
Accruals	4,497	3,670
Deferred income (see note 2)	74,583	51,833
	95,176	66,373
	95,176	66,373

10. Total funds

	Balance 1st February 2013	Incoming resources and gains	Resources expended	Transfers between funds	Balance 31st January 2014
	£	£	£	£	£
Restricted funds					
Friends Provident Foundation	-	3,750	(3,750)	-	-
The Nuffield Foundation	-	67,432	(67,432)	-	-
Greenpeace	-	16,750	(16,750)	-	-
Amnesty International UK	-	8,000	(8,000)	-	-
Christian Aid	-	15,000	(15,000)	-	-
Friends of the Earth	-	9,333	(9,333)	-	-
Amazon Watch	-	27,000	(27,000)	-	-
WWW - UK	-	7,000	(7,000)	-	-
Trust for London	-	15,333	(15,333)	-	-
Tellus Mater	-	79,167	(79,167)	-	-
The Ashden Trust	-	20,000	(20,000)	-	-
Frederick Mulder	-	8,000	(8,000)	-	-
Generation Foundation	-	50,000	(50,000)	-	-
Barrow Cadbury Trust	-	3,750	(3,750)	-	-
The Joseph Rowntree Charitable Trust	-	3,750	(3,750)	-	-
The Joseph Rowntree Foundation	-	3,750	(3,750)	-	-
Lankelly Chase	-	3,750	(3,750)	-	-
Polden Puckham Charitable Foundation	-	3,750	(3,750)	-	-
Holly Hill Charitable Trust	-	3,750	(3,750)	-	-
	-	349,265	(349,265)	-	-
	-	349,265	(349,265)	-	-

FAIRSHARE EDUCATIONAL FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st January 2014

10. Total funds (continued)	Balance 1st February 2013 £	Incoming resources and gains £	Resources expended £	Transfers between funds £	Balance 31st January 2014 £
Total restricted funds (from above)	-	349,265	(349,265)	-	-
Unrestricted funds					
General fund	216,035	193,431	(181,800)	-	227,666
Total funds	<u>216,035</u>	<u>542,696</u>	<u>(531,065)</u>	<u>-</u>	<u>227,666</u>

The total funds are represented by:

	Restricted Funds £	Unrestricted Funds £	Total Funds £
Tangible fixed assets	-	6,563	6,563
Investment fixed assets	-	491	461
Debtors	-	53,658	53,658
Cash	-	262,130	262,130
Creditors	-	(95,176)	(95,176)
	<u>-</u>	<u>227,666</u>	<u>227,666</u>

Description of funds

General funds

General funds are unrestricted funds and represent the net surplus made by the charitable company during its operations. They are available to be used for the objects of the charitable company at the discretion of the Trustees.

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st January 2014

10. Total funds (continued)

Description of funds (continued)

Restricted funds

Restricted funds can only be used for a particular purpose within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for a particular restricted purpose.

The *Friends Provident Foundation*, *Barrow Cadbury Trust*, *The Joseph Rowntree Charitable Trust*, *The Joseph Rowntree Foundation*, *The LankellyChase Foundation*, *Polden Puckham Charitable Foundation* and *Holly Hill Trust* each paid £3,750 for being members of the Charities Responsible Investment Network. ShareAction provide members of the Network with research and briefings on environmental, social and governance topics, deliver training tailored to Network members' interests and needs and have provided an in-depth review of the foundations' asset managers to enable them to collaborate on fulfilling their charitable objectives through shareholder engagement with companies.

The *Nuffield Foundation* granted £67,432 (2013 - £3,431) for a project 'Achieving Enlightened Fiduciary Standards in Private Pension Saving' (total award £130,612). This project will run to November 2014.

Greenpeace gave a grant of £16,750 towards ShareAction's involvement in Arctic Drilling Investor engagement work (2013 - £9,750 for Arctic Drilling Investor engagement work and the production of the report 'Out in the Cold, Investor Risks in Shell's Arctic Exploration').

Amnesty International UK contributed £8,000 towards a project on investor engagement on the activities of Royal Dutch Shell in the Niger Delta (2013 - £16,000).

Christian Aid gave a grant of £15,000 towards a campaign on Tax Justice including attending companies' AGM's and asking Tax questions (2013 - £15,000).

Friends of the Earth gave a grant of £4,333 (2013 - £2,167) towards work aimed at raising awareness of and stimulating debate amongst UK and selected US institutional investors about the risks and impacts of land-grabbing and on reducing and managing those risks. In addition it contributed £5,000 towards the "Pensions and Climate Change Project!" known as the Green Light Project.

Amazon Watch gave a grant of £27,000 towards a project regarding international investor engagement with Chevron on the Aguinda litigation.

Trust for London gave an amount of £15,333 towards a programme of "Responsible Investment for the Capital", which aims to use the leverage of major asset owners and the resources of companies operation in London to secure a wide range of positive outcomes for disadvantaged Londoners (total award £85,000 over three years running to September 2016).

Tellus Mater Foundation Limited provided funding of £79,167 in support of ShareAction's three-year Green Light campaign (total funding of £175,000 running to December 2015).

The Ashden Trust made a grant of £20,000 towards the Green Light campaign (total grant of £60,000 running to 2015/16).

Frederick Mulder Charitable Trust gave a one-off grant of £8,000 towards the Green Light campaign.

The Generation Foundation made a one-off grant of £50,000 towards the Green Light campaign.

FAIRSHARE EDUCATIONAL FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE ACCOUNTS (continued)
For the year ended 31st January 2014

11. Financial commitments

The following payments are committed to be paid by the company during the next year under operating leases: -

	2014	2013
	£	£
Land and buildings: -		
Leases expiring between second and fifth year	30,000	<i>Nil</i>
	<u> </u>	<u> </u>

12. Pensions

The charitable company contributes to pension arrangements on behalf of its employees. Within each employee's contract of employment there is a clause whereby the charitable company will, if requested, contribute to the individual personal pension arrangements of the employee at the rate of 8% of gross salary. The pension cost for the year amounted to the figure shown in note 4. At the year-end an amount of £4,432 (2013 - £446) was outstanding for pension contributions and is included under creditors.

13. Legal status of the company

The charitable company is a company limited by guarantee with no share capital and a registered charity. In the event of the company being wound up the liability of each member is limited to £1. At the year-end there were fifteen full members and two associate members.

FAIRSHARE EDUCATIONAL FOUNDATION
(A Company Limited by Guarantee)

CASH FLOW STATEMENT

For the year ended 31st January 2014

	2014 £	2013 £
Reconciliation of net incoming resources to cash flow from operating activities		
Net incoming resources before interest	10,032	5,552
Depreciation	2,846	958
Decrease (increase) in debtors	(11,507)	8,312
Increase (decrease) in creditors	28,803	30,214
	<hr/>	<hr/>
Net cash inflow (outflow) from operating activities	30,174	45,036
	<hr/>	<hr/>
Returns on investments and servicing of finance		
Interest received	1,599	2,798
Bank interest paid	-	-
	<hr/>	<hr/>
Net cash inflow (outflow) from returns on investments and servicing of finance	1,599	2,798
	<hr/>	<hr/>
Capital expenditure		
Payments to acquire tangible fixed assets	(8,034)	(803)
Payments to acquire investment assets	(491)	-
	<hr/>	<hr/>
Net cash inflow (outflow) from capital expenditure	(8,525)	(803)
	<hr/>	<hr/>
Increase in cash	23,248	47,031
	<hr/> <hr/>	<hr/> <hr/>

This page is for information only and does not form part of the statutory accounts

FAIRSHARE EDUCATIONAL FOUNDATION
(A Company Limited by Guarantee)

CASH FLOW STATEMENT

For the year ended 31st January 2014

	2014 £	2013 £
Reconciliation of net incoming resources to cash flow from operating activities		
Net incoming resources before interest	10,032	5,552
Depreciation	2,846	958
Decrease (increase) in debtors	(11,507)	8,312
Increase (decrease) in creditors	28,803	30,214
	30,174	45,036
Returns on investments and servicing of finance		
Interest received	1,599	2,798
Bank interest paid	-	-
	1,599	2,798
Capital expenditure		
Payments to acquire tangible fixed assets	(8,034)	(803)
Payments to acquire investment assets	(491)	-
	(8,525)	(803)
Increase in cash	23,248	47,031

This page is for information only and does not form part of the statutory accounts

