

**Fairshare Educational  
Foundation T/A ShareAction**

**Annual Report and Financial  
Statements**

31 January 2017

Company Limited by Guarantee  
Registration Number  
05013662 (England and Wales)

Charity Registration Number  
1117244

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## Reference and administrative details

<b>Board of Trustees and Directors</b>	Emma Howard Boyd (Chair) Nicholas Tatman (Treasurer) Andrew (Jonathan) Clarke Stephen Davis Paul Dickinson Laura Gyte – resigned Nov 2016 Caroline Instance Roger Jeary – ended term Nov 2016 Mick McAteer Lenka Setkova – ended term Nov 2016 Jane Cooper – appointed Nov 2016 Rob Ryan – appointed Nov 2016 Catherine Lisa Warren – appointed Nov 2016
<b>Secretary</b>	Nicola Cullen
<b>Chief Executive</b>	Catherine Howarth
<b>Charity name</b>	Fairshare Educational Foundation (Trading as ShareAction)
<b>Registered and principal office</b>	Ground Floor 16 Crucifix Lane London SE1 3JW
<b>Company registration number</b>	05013662 (England and Wales)
<b>Charity registration number</b>	1117244
<b>Auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL
<b>Solicitors</b>	Wrigleys 19 Cookridge Street Leeds LS2 3AG
<b>Principal bankers</b>	Unity Trust Bank plc Nine Brindleyplace Birmingham B1 2HB

## Report of the Chair of the Board Year to 31 January 2017

As the world continues to adjust to the political upheaval of 2016, ShareAction has continued to demonstrate the power the investment system can wield in delivering sustainable, social and environmental benefit. Responsible investment continues to be at the heart of our mission and 2016 saw 106 people asking 135 questions at 97 AGMs.

Our work this year has resulted in several high-profile successes. Chief amongst them was BP deciding against drilling in the Great Australian Bight after we highlighted operational, economic and reputational risks to their business alongside campaign partners The Wilderness Society and Greenpeace. We were proud to support Médecins Sans Frontières in bringing about a substantial shift in the charging policies of Pfizer and GSK when supplying pneumonia vaccines to aid agencies. We also saw methodical and consistent progress for campaigns such as the Living Wage and RE100, which are encouraging companies across the world to incorporate better working practices and more sustainable business models.

This year our funding grew from £1M to £1.2M and substantial awards in the latter half of the year mean that this is set to accelerate in 2017. Much of this growth is due to our success in September in securing DFID (Department for International Development) funding for a major pilot of a project we are calling the Workforce Disclosure Initiative. The Workforce Disclosure Initiative will look at working practices in domestic workforces and global supply chains and follows the self-disclosure model of the CDP (formerly Carbon Disclosure Project). The project will run until 2019 and builds on our success with other workplace focused campaigns. We are delighted to be partnering with Oxfam on this project, and it will bring the social aspect of Environmental, Social and Governance (ESG) more clearly into focus for investors.

Following the introduction of auto-enrolment pension provision, as many as ten million new savers are predicted to enter the UK pension system by 2020, and ShareAction is continuing important work in this field. Our first ranking of the auto-enrolment sector has allowed us to engage with the biggest suppliers as they build up their customer-bases and consider ways in which they can interest the public in saving. We have met with ShareAction's own pension provider, the National Employment Savings Trust (NEST), and are seeing positive signs that these players will be putting responsible investment on their agenda.

ShareAction has continued to increase its global reach. In the autumn of 2016, we formally launched ERIN, our European Responsible Investment Network, which currently consists of 30 civil society organisations across 10 countries. This network continues to grow and with our ERIN partners we were able to participate in European AGMs for the first time this year.

In 2016, we have taken stock of ShareAction's growth and worked to strengthen our own resilience. Thanks to a grant from Esmée Fairbairn, the Board and Executive have been able to carry out a consultative review of our structure, processes and priorities. As we move into 2017, we have a new leadership team in place and the foundation and expertise to multiply our impact. I am proud to say that ShareAction continues to punch above its weight.

## Report of the Chair of the Board Year to 31 January 2017

Looking ahead, ShareAction is set for a busy 2017 and 2018. Our aim is to play an important role in the post-COP21 efforts to curb climate change. We will be taking over the work of the Asset Owners Disclosure Project and, in early 2017, we will launch our first European asset manager survey. With our second ERIN conference in Amsterdam in the autumn of 2017, ShareAction is cementing its position in the global investment community. Our report on banks, launched in February 2017, is set to underpin important work in a sector that is still reeling from the financial crisis but which has a vital role to play in the responsible investment debate.

By continuing to pursue and deliver upon ambitious projects in 2017, I hope to see ShareAction step up its role in holding the investor community to account and to build on its success in reaching an increasingly international audience.

Emma Howard Boyd  
Chair

## Trustees' report Year to 31 January 2017

The Trustees (who are also directors of the charitable company for the purposes of the Companies Act) present their annual report together with audited financial statements of Fairshare Educational Foundation (trading as ShareAction) (the charitable company) for the year ended 31 January 2017.

The financial statements have been prepared in accordance with the accounting policies set out on pages 21 to 24 of the attached financial statements and comply with the charitable company's governing document, applicable laws and 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 from accounting periods commencing 1 January 2015 or later.

### Objectives and activities

#### *Activities and specific objectives*

ShareAction's charitable objects can be summarised as: "the promotion of ethical and 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 and responsible investment; and
- ◆ to undertake and promote research relating to ethical and responsible investment, making the 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.

Our 'theory of change' captures our work under three interwoven headings: 'building the movement for responsible investment'; 'reforming the rules of the investment system'; and 'unlocking the power of the investment system to deliver social and environmental benefit'. This framework has served us well during the year.

#### *Building the movement for responsible investment*

ShareAction believes that the potential of responsible and ethical investment to deliver public benefit requires the activation of support both amongst professional investors and across society. As such, we expend considerable resources building a stronger 'insider' movement (i.e. people working within the investment system) and 'outsider' movement (i.e. ordinary savers and others affected by investment decisions) to demand and deliver more responsible investment.

**Objectives and activities** (continued)

***Reforming the investment system***

ShareAction has a long-established programme of research and policy advocacy to facilitate responsible investment activity, especially amongst pension funds and asset managers. These activities are designed to catalyse reforms to the investment system that promote and embed responsible investment.

***Unlocking the investment system to deliver social and environmental benefit***

ShareAction continued to influence companies' social and environmental performance by engaging the support of their shareholders and by making active use of shareholder rights. We have organised our campaigns into three programmes covering: 'Good Work', 'Sustainable Food' and 'Climate Change', and have made significant progress on all three during the year.

**Achievements and Performance**

The year to 31 January 2017 has, overall, been a strong one for ShareAction with a number of notable developments that bode well for the future of the charity and its impact on the world. In general, philanthropists in the climate space are focusing more and more on finance. This has helped us realise our ambitions to have a positive influence on the climate change problem with our toolkit of techniques.

We launched a new website in 2016, and had an immediate, positive response to the user-friendliness and general look of the new site. Further work and thinking will happen in 2017 to make the website and its content even more appealing and useful to our multiple audiences.

2016 is the first year we have raised a significant sum (£50,000) from individual donors, catalysed by a commitment from Roger Ross, settlor of the Serve All Trust. Roger proposed a donation to ShareAction of £10,000 a year for 10 years if we could secure match funding of £40,000 for the first three of those. We succeeded in this in 2016, and hope to do so again for the next two years. This is part of an effort to diversify our income, to secure more unrestricted income, and to keep improving our reserves position.

We underwent an organisational review with support from the Esmée Fairbairn Foundation, resulting in a number of positive proposals, now implemented, for making the organisation more robust and resilient.

Some of our notable successes over the year have been:

**Achievements and Performance** (continued)

***Building the movement for responsible investment***

2016 was the year we became an organisation with genuine international reach. The launch conference in Berlin in June of the European Responsible Investment Network (ERIN) was both a great success as an event (based on feedback from participants) and a timely moment to formalise our presence in continental Europe and our relationships with other European civil society organisations ahead of the Brexit vote. We have more than delivered against all the targets set for the ERIN network and ended the year with 30 ERIN member organisations based in 10 European countries. A focus for 2017 will be to secure additional funding so that ERIN can firmly establish itself as an important new force on the European RI scene, cementing the idea that civil society has a rightful place at the table in shaping Europe's investment sector and in expressing the public's interest in how our investment system operates.

In 2016, our work with pension savers matured considerably and began to deliver some creditable results. It was particularly pleasing that we secured consistent pensions press coverage for our work to bring the voice of the saver into the system. We have worked hard to establish a team of staff who work with savers in a wide range of large pension schemes. We have secured commitments from a handful of major auto-enrolment pension providers to meet regularly with our teams of savers to listen, report back and be held accountable for raising the quality of RI in these schemes. We pushed hard during the year to establish the concept of the Annual Member Meeting (AMM). Few schemes hold these but we were encouraged that several big schemes signed up this year to deliver an AMM for the first time.

Complementary to this has been our work with ClientEarth to challenge pension funds on their legal duties regarding the financial risks of climate change. A number of our saver teams have been in touch with their pension funds challenging them to demonstrate their management of climate risk, and this partnership with ClientEarth allows us to give these interactions real teeth.

***Reforming the investment system***

In 2016, ShareAction published its first ranking of the RI performance of the UK's major auto-enrolment pension providers, which are all defined contribution (DC) schemes. Our earliest investor rankings all focused on defined benefit (DB) schemes. Whilst we will continue to monitor the quality of RI in the defined benefit (DB) space, the future in the UK is all about DC. Assets accrued are still much smaller than in DB schemes, but in the DC sector millions of people are exposed to poor governance and poor investment decision-making, which ShareAction is helping to expose.

During 2016, we firmly established ourselves as a go-to expert organisation in respect of DC governance, being invited to feed in our ideas and our knowledge to senior officials in the Department for Work & Pensions, The Pensions Regulator and the Financial Conduct Authority, and to comment frequently in the pensions press on this theme.



## **Achievements and Performance (continued)**

### ***Reforming the investment system (continued)***

After years of investment in ShareAction's policy function, often drawing on our limited unrestricted grants as dedicated funding for this work has been tough to secure, we got some very creditable wins this year. Most notably, with the inclusion of significant RI elements in the EU's Directive on Institutions for Occupational Pension Provision (IORPS II), a major piece of European pensions legislation covering all 28 member states. This is the first piece of financial legislation from Europe that has ESG requirements woven throughout it. Our European policy officer did a skilful job of influencing MEPs to submit a series of amendments that ended up in the final text of the Directive. Effective implementation of this directive in the regulatory systems of the 28 states is far from guaranteed, which gives us a clear task ahead in 2017 and 2018 to work with ERIN members to ensure we educate country-level financial regulators about the relevance of ESG risk. We hope to see those ESG requirements transposed and enforced in the best possible way across the EU's member states, and in the UK ahead of us leaving the union.

A second important win was around the UK Pension Regulator's Code of Practice and Guidance for DC schemes which, thanks to our influence, includes helpful wording on ESG risks and the need for trustees of pension schemes to understand and manage these.

Early in 2016, we published a survey-based report on investor attitudes to the Sustainable Development Goals, which secured good profile around the world. This theme has a lot of potential for ShareAction and for advancing our core mission. We hope to be able to move it forward in 2017, drawing on the strengths and positioning of our DFID-funded Workforce Disclosure Initiative.

### ***Unlocking the investment system to deliver social and environmental benefit***

In campaign terms, we had a positive year. Having committed at the start of the year to work with the Wilderness Society in Australia on a campaign to stop BP drilling for oil in the Great Australian Bight, an area of importance for endangered marine species, we made this a major focus of questions and attention at the BP AGM in April. It was very pleasing to have BP publicly announce it was withdrawing from the Bight in October. The team at ShareAction did a terrific job to celebrate and publicise this win. Alongside this high profile win our team has continued to put pressure on the oil majors following our co-filing of climate change disclosure-related shareholder resolutions in 2015. Despite our best efforts, the companies continue to side-step their role in a low carbon future and the investor community does little to hold them to account. Stronger challenges to both will be a core theme for our climate work in the coming year.

Working with our partners, FAIRR, our sustainable food systems theme delivered strong progress during the year. We gathered a consortium of investors with over £1trillion of asset under management to support our work on antibiotics abuse in the global meat supply sector. This programme gained significant mainstream press coverage and, as a result, is gaining us access to some of the world's largest food brands to push for changes to their policies.

**Achievements and Performance** (continued)

***Unlocking the investment system to deliver social and environmental benefit***  
(continued)

Another good win, in partnership with Médecins Sans Frontières International (MSF), was GSK and then Pfizer committing to dramatically lower the costs of pneumonia vaccine for humanitarian agencies. Our work with MSF to raise awareness amongst GSK and Pfizer's major investors of the pricing issues with pneumonia vaccine played a useful role. The outcome achieved is a credit to collaboration, and we shared the success with a number of NGOs that have persistently campaigned for this change for a number of years.

Amongst this year's most important developments was securing a grant of £960,000 from DFID to cover a 2.5 year project to establish an investor-led disclosure initiative focused on labour practices and human capital management in the listed corporate sector and associated global supply chains. Our first government grant and by far our largest grant to date, securing this project feels like a breakthrough for ShareAction, and evidence of our ability to design complex, ambitious projects that take advantage of our relationships with major investors across the world.

**Risk management**

As the organisation evolves, becomes more international, and takes on larger projects we continue to monitor and update our risk register. Currently we see the following as our key risks:

Risk	Mitigation
<p><b>Loss of key staff:</b> Difficulty in recruiting and retaining staff could put our mission at risk and the trustees are very alert to the issues caused by the loss of key personnel, particularly the CEO.</p>	<p>We have just completed an organisational development review and the first half of 2017 will see us embed a new senior team alongside work on formalising working practices and 'codifying' what we do to ensure that knowledge sits across the organisation. We carried out an internal benchmarking exercise in Autumn 2016 and gave each member of staff a view of future progression and pay. We will be reviewing our remuneration strategy in 2017 to ensure we can continue to recruit and retain excellent staff. We have also instigated an organisation-wide training review and will be investing in our people as the organisation grows.</p>

**Risk management (continued)**

<p><b>Not enough funding or an over-dependence on restricted funds:</b> Our dependence on philanthropic funders presents the risk that there are insufficient funds to continue to deliver our mission. The charity is also growing its operations predominantly through projects, which are funded with restricted grants. As a result the proportion of funds that are unrestricted is diminishing putting pressure on both operations and reserves and needs to be carefully managed.</p>	<p>ShareAction has developed a fundraising strategy that actively seeks out funds from new funding sources as well as ensuring we continue to deliver an extremely high quality of work to exiting funders. The charity is also working with key funders to increase the size of individual donations and is prioritising bids for unrestricted funds.</p> <p>Allocation of unrestricted funds is also being more closely monitored so that it can be ring-fenced for core activities that are essential to our mission cannot be funded otherwise.</p> <p>We have appointed a Head of Fundraising and Communications (to start in June 2017) and will be able to take a more strategic view of future needs.</p>
<p><b>Capacity and capabilities of staff:</b> many staff are fairly new to the world of work and face a heavy workload. There are risks to our dealings with stakeholders, funders, the press and our supporters if staff are not fully trained in their area of work or are too stretched to do a thorough job.</p>	<p>Having completed the organisational review we now have a set of clear objectives for the organisation that filter down to each individual and are monitored monthly. Each staff member has an annual appraisal and personal development plan. We have committed to continually review all job roles ensuring job descriptions are up to date, objectives are clear, training plans are in place and staff have a clear view of how their role and pay will progress.</p>
<p><b>Protecting our reputation:</b> ShareAction enjoys respect across the NGO community and the various catchments of investment professionals it seeks to influence. As it grows many risks to reputation emerge – practical ones associated with maintaining a consistent message and stakeholder ones associated with reactions from organisations that we challenge.</p>	<p>We are in the process of implementing a CRM system to ensure these relationships are 'owned' and tracked and that those that support our work feel more engaged with our programmes.</p> <p>With all significant projects, we will ensure that there is a communication plan in place at the outset of the project that takes into account possible pitfalls.</p> <p>We will develop a 'crisis management' process for communications that ensures we deal with any threat to our reputation professionally and promptly.</p>

**Risk management (continued)**

<p><b>Risk of legal or regulatory breach:</b> the Trustees recognise that an inability to keep up with current regulation or if an inexperienced staff member oversteps their remit (for example being deemed to have given financial advice) could lead to reputational damage or even legal action.</p>	<p>The charity subscribes to a range of bulletins and advice services and is a member of NCVO. The Finance Manager is a member of the Charity Finance Group and receives regular updates on financial regulation whilst the Company Secretary endeavours to stay abreast of governance changes and undertakes training as needed. Sign-off processes are in place for all externally-facing communications and the Audit and Risk committee continually review key governance risks.</p> <p>A key identified risk for 2017/18 is the new legislation surrounding data protection. The Audit and Risk Committee will be overseeing a plan to ensure compliance.</p>
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The Trustees are alert to these risks and the Audit and Risk Committee will actively monitor them on behalf of the board.

**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 using the tools of the investment world to promote good corporate citizenship contributes to embedding better social and environmental practice within the UK's largest listed firms. This in turn has a range of real world effects that deliver public benefit including, for example lower carbon emissions and higher wages for the lowest earners in the UK economy. These positive outcomes are all in line with our charitable objects.

In addition, our considerable influence on the stewardship and Responsible Investment policies of large pension funds, asset managers, and charitable trusts contributes to the embedding of better practice within the UK's investment community. The major investors whom we influence look after the retirement savings of millions of working people in the UK, including many on modest incomes. Our work, particularly on fiduciary duties, encourages major investment firms and pension schemes to stay focused on the interests and well-being of the people whose funds they manage. Encouraging large institutional investors to act as responsible stewards of other people's assets is critically important to achieving a private pension system that delivers for all. We consider this an important element of the public benefit that flows from our activities.

Our training and educational events have helped to equip and support people in the UK who want to use their investments as a leverage point for dialogue with companies. The feedback from our training has shown how empowering people find it to access that kind of knowledge and the opportunity to influence companies with a significant social and environmental footprint.

## Financial review

### *Results for the year*

We ended the year showing good year on year growth with income of £1,217,433 (2016 - £1,031,043) and an unrestricted surplus of £91,196 (2016 - £95,784). We saw some significant wins in the latter half of the year (our grant from DIFID for the Workforce Disclosure Initiative and a significant three-year grant from the Finance Dialogue for our climate work). This income will feed through into 2017/18 and, along with the takeover of AODP will underpin greater growth in the next financial year (currently planned for £1,700,000 income).

Membership income overall was up on last year. In the current year 21 member organisations (including one associate member) contributed fees amounting to £33,125 (2016 - 20 member organisations including one associate member - £29,058). CRIN membership continued to increase with 24 CRIN members contributing membership fees of £105,000 (2016 - 21 members contributing fees of £92,083). The charity received grants and donations from 35 organisations (2016 - 34) totalling £1,077,181 (2016 - £848,760) (including campaigning and education income). Of these 35 organisations, 25 (2016 - 25) made restricted grants as shown in note 4 to the accounts, and 10 (2016 - 11) made unrestricted grants as shown in note 1 to the accounts. The charity received £51,278 in donations from individuals (2016 - £59,442). The amount of cash held and cash equivalents had increased at year-end to £493,778 (2016 - £421,787) but much of this was due to an increase in advanced receipts and restricted grant income deferred into 2016/17.

### *Reserves policy*

It is the policy of the Charity to maintain a reserve of Unrestricted Funds that is at least equivalent to three months budgeted expenditure as approved by the Board and as amended from time to time to take into account, for example, projected material changes in human and other resources, new or abandoned projects not fully resourced out of restricted income.

The reserve is necessary to provide a buffer against unbudgeted and unexpected expenditure thereby ensuring that adequate resources are always available to meet fixed and variable operational costs and unfunded projects and to ensure that Restricted Funds, which currently provide the majority of the charity's incoming resources, are always safeguarded for the purpose for which they were provided.

Furthermore, as a crucial management tool, regular monitoring of adherence to the policy will be undertaken at meetings of the Board and Audit and Risk Committee so that the Trustees may satisfy themselves as to the on-going financial viability of the charity.

It is the Board's opinion that the current level of Reserves is commensurate with the risks identified in its latest risk assessment but the Board will review this policy at regular intervals, making any amendments necessary to ensure that it is always adequate for the charitable company's purposes.

At 31 January 2017, the charity held unrestricted funds of £400,077 (2016 - £307,075) and restricted funds of £nil (2016 - £1,806). After adjusting for the net book value of fixed assets, free reserves stood at £392,058 (2016 - £297,473). This level of free reserves is equal to 4.2 months expenditure and is in line with the policy.

### **Future plans**

2017 has potential to be an excellent year for ShareAction. We go into the year with a clear sense of our priorities, a strong financial position with a good pipeline of funding opportunities, a terrific staff team and our reputation in good shape. We do not underestimate the funding challenge in maintaining and continuing to grow the charity and the successful appointment and bedding in of a new senior team is going to be utterly critical to delivering on the potential. A particularly positive step is the recruitment of a dedicated Head of Fundraising and Communications and it is critical that this key new member of the team is given the chance to take a broad and strategic view of our future fundraising needs.

In response to the uncertainty caused by the UK leaving the European Union we have appointed a staff member to work in Brussels on European policy. Starting in the new financial year, this will be our first overseas appointment.

The Workforce Disclosure Initiative is a huge opportunity for ShareAction. The project goes public in 2017 and it has the potential to revolutionise the way that investors view social risk in their portfolios. This is an important project for ShareAction and early thought needs to be given to the financial model that will support the work once the initial DFID funding is complete. We are grateful to be drawing on the expertise and experience of CDP in thinking this through.

We are also launching an ambitious project on banks and climate change after the successful launch of our report in partnership with the Green Finance Initiative of the City of London. It has potential as a project to make a big impact on the real world and also to enhance our reputation as a highly strategic and capable campaigning organisation. This is a priority area for future fundraising.

We will publish in early March an RI ranking of 40 major European asset management firms. We have had a 75% plus response rate from managers and it should allow us to strengthen relationships with each asset manager, and help us draw them in to support ShareAction's diverse corporate campaigning themes.

In 2017 we are set to take over the work of the Asset Owner Disclosure Project (AODP), which for the last six years has produced global rankings of asset owner performance on climate risk management. If this work goes ahead it will be a significant boost to our global positioning and allow us to establish a far more secure team of researchers delivering investor rankings. At time of writing, initial funding has been secured to move forward with the take-over and work is underway to secure the larger sums of funding needed to deliver the survey and associated advocacy work over the next three to five years.

### **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.

## **Structure, governance and management (continued)**

### ***Recruitment and appointment of Trustees***

The directors of the company are also charity trustees for the purposes of charity law. The Trustees are elected annually 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 re-appointed provided that his or her period in office does not exceed six consecutive years.

It is the practice of the charity to openly advertise opportunities to join the board of trustees. In appointing a new chair of the board in early 2015, the charity advertised this opportunity, receiving a range of applications from internal and external candidates. Both internal and external candidates were interviewed by a nominations committee that was formed for the purpose of making this important appointment.

### ***Induction and training of Trustees***

Most Trustees already have experience of charitable organisations on appointment but if this is not the case they are provided with best practice and guidance (our membership of NCVO affords the charity access to the relevant resources). Their experience is developed further through their work with ShareAction. The Trustees spend a half day together to review the charity's strategy and progress annually and also attend a session with the staff of the charity to discuss strategy and plans together. The Chair will undertake a board review from time to time involving each Trustee in making an appraisal of his or her contribution, skills and areas for development. In 2016/17 a number of trustee positions are becoming available and a full skills audit will be undertaken in preparation and new trustees will be recruited with the future strategy of the charity in mind.

### ***Organisation 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 a Business 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.

In 2015 The Governance Sub-Committee (now split into an HR and nominations committee and an audit and risk committee) facilitated the creation and implementation of a new remuneration policy and pay-spine to cover all positions within ShareAction. This was nominally benchmarked against NCVO data on charity sector salaries. All staff and the policy itself are reviewed at least annually against this scale.

**Structure, governance and management** (continued)

**Trustees**

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

<b>Trustees</b>	<b>Appointed/resigned</b>
Andrew (Jonathan) Clarke	
Stephen Davis	
Paul Dickinson	
Laura Gyte	Resigned Nov 2016
Emma Howard Boyd	
Caroline Instance	
Roger Jeary	Ended term Nov 2016
Mick McAteer	
Lenka Setkova	Ended term Nov 2016
Nicholas Tatman	
Jane Cooper	Appointed Nov 2016
Rob Ryan	Appointed Nov 2016
Lisa Warren	Appointed Nov 2016

**Statement of Trustees' responsibilities**

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

Company 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 income and expenditure of the charitable company for that period.

In preparing these financial statements, the Trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the 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);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.



**Statement of Trustees' responsibilities** (continued)

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- ◆ so far as the Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- ◆ the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.
- ◆ This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The Trustees are responsible for the maintenance and integrity of financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Signed for and on behalf of the Trustees:



Approved by the Trustees on: 10 July 2017

**Independent auditor's report to the members and Trustees of Fairshare Educational Foundation**

We have audited the financial statements of Fairshare Educational Foundation for the year ended 31 January 2017 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the related notes. 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), including FRS 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland.

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of Trustees and auditor**

The Trustees are also the directors of the charitable company for the purposes of company law. As explained more fully in the Trustees' responsibility statement set out in the Trustees' report, the Trustees are responsible for the preparation 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 (APB's) Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

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 charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- ◆ give a true and fair view of the state of the charity's affairs as at 31 January 2017 and of 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 matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements, and the Trustees' Report has been prepared in accordance with applicable legal requirements.

**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;
- ◆ 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.

Edward Finch, Senior Statutory Auditor  
for and on behalf of Buzzacott LLP  
Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

**Statement of financial activities** Year to 31 January 2017

	Notes	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
<b>Income:</b>					
Donations	1	287,111	—	287,111	291,022
Other trading activities	2	138,125	—	138,125	121,141
Investment income	3	1,502	—	1,502	686
Charitable activities	4	—	790,070	790,070	617,180
Other income		625	—	625	1,014
<b>Total income</b>		<b>427,363</b>	<b>790,070</b>	<b>1,217,433</b>	<b>1,031,043</b>
<b>Expenditure:</b>					
Cost of raising funds	5	69,333	—	69,333	35,959
Expenditure on charitable activities	5	265,122	791,876	1,056,998	898,995
<b>Total expenditure</b>		<b>334,455</b>	<b>791,876</b>	<b>1,126,331</b>	<b>934,954</b>
Net income (expenditure) before losses on investments		92,908	(1,806)	91,102	96,089
<b>Net gains (losses) on listed investments</b>		<b>94</b>	<b>—</b>	<b>94</b>	<b>(305)</b>
<b>Net income (expenditure) for the year and net movement in funds</b>		<b>93,002</b>	<b>(1,806)</b>	<b>91,196</b>	<b>95,784</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward at 1 February 2016		307,075	1,806	308,881	213,097
Total funds carried forward at 31 January 2017		400,077	—	400,077	308,881

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

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

The charity has no recognised gains and losses other than those included above, and therefore no separate statement of total recognised gains and losses has been prepared.

**Balance sheet** 31 January 2017

	Notes	2017 £	2017 £	2016 £	2016 £
<b>Fixed assets</b>					
Tangible assets	8		8,019		9,602
Investments	9		2,014		1,356
			<u>10,033</u>		<u>10,958</u>
<b>Current assets</b>					
Debtors	10	390,380		148,618	
Cash at bank and in hand		493,592		421,663	
		<u>883,972</u>		<u>570,281</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(493,928)</u>		<u>(272,358)</u>	
<b>Net current assets</b>			<u>390,044</u>		<u>297,923</u>
<b>Total net assets</b>			<u>400,077</u>		<u>308,881</u>
<b>The funds of the charity:</b>					
Restricted funds	13		—		1,806
Unrestricted income funds					
· Tangible fixed asset fund			8,019		9,602
· General fund			392,058		297,473
			<u>400,077</u>		<u>308,881</u>

The financial statements were approved by the Board of Directors on 10 July 2017 and signed on their behalf by:



Registered Company Number: 05013662

Statement of cash flows 31 January 2017

	Notes	2017 £	2016 £
<b>Cash flows from operating activities:</b>			
Net cash provided by operating activities	A	75,430	146,185
		<u>75,430</u>	<u>146,185</u>
<b>Cash flows from investing activities:</b>			
Investment income		1,502	686
Purchase of tangible fixed assets		(4,440)	(7,459)
Proceeds from the disposal of investments		—	—
Purchase of investments		(501)	(411)
Net cash used in investing activities		<u>(3,439)</u>	<u>(7,184)</u>
Change in cash and cash equivalents in the year		71,991	139,001
Cash and cash equivalents at 1 February 2016	B	421,787	282,786
Cash and cash equivalents at 31 January 2017	B	<u>493,778</u>	<u>421,787</u>

Notes to the statement of cash flows for the year to 31 January 2017

**A Reconciliation of net movement in funds to net cash provided by operating activities**

	2017 £	2016 £
Net movement in funds (as per the statement of financial activities)	91,196	95,784
<b>Adjustments for:</b>		
Depreciation charge	6,023	5,139
(Gains)/Losses on investments	(94)	305
Investment income	(1,502)	(686)
Increase in debtors	(241,762)	(88,281)
Increase in creditors	221,570	133,924
Net cash provided by operating activities	<u>75,430</u>	<u>146,185</u>

**B Analysis of cash and cash equivalents**

	2017 £	2016 £
Cash at bank and in hand	493,592	421,663
Cash held by investment managers	186	124
Total cash and cash equivalents	<u>493,778</u>	<u>421,787</u>

## Principal accounting policies 31 January 2017

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the accounts are laid out below.

### **Basis of accounting**

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The accounts have been prepared in accordance with 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 United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

The accounts are presented in sterling and are rounded to the nearest pound.

### **Critical accounting estimates and areas of judgement**

Preparation of the accounts requires the trustees and management to make significant judgements and estimates.

The items in the accounts where these judgements and estimates have been made include:

- ◆ the deferral of grant income received to future periods.

### **Assessment of going concern**

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

The trustees are aware that there is uncertainty around the income of the charity but are comfortable that they have the necessary visibility in order to manage this uncertainty. The trustees of the charity assessed the events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern and have concluded that the necessary measures (most importantly, monitoring of cash, reserves and forecasts and timely cost management) are in place to mitigate these concerns. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. An Audit and Risk Committee has been created to ensure that these issues are given the necessary scrutiny as the organisation grows.

As a result of the trustees' assessment, the financial statements have indeed been prepared on a going concern basis.

### **Income recognition**

Income including grants received is recognised in the period in which the charity becomes legally entitled to the income, it is probable the income will be received, and that income can be measured with reasonable accuracy. Income is deferred if the donor specifies conditions that the income is to be expended in a future period or where grants are awarded on an annual basis.

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.

### **Expenditure recognition and the allocation of support and governance costs**

Expenditure is recognised on an accruals basis in the period in which it is incurred. It includes related VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates:

- ◆ Costs of raising 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.

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

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice and are included within support costs.

### **Tangible fixed assets**

Additions to computer equipment, furniture, fixtures and fittings are capitalised where material and where the useful economic life is expected to exceed 12 months. Tangible fixed assets depreciated over their useful lives.

Depreciation is provided at the following rates:

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

### **Pensions**

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



**Operating leases**

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

**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.

**Foreign currency**

Transactions in foreign currencies are translated into sterling at the exchange rate in operation on the date of the transaction. Monetary 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.

**Fixed asset investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Realised and unrealised gains (or losses) are credited (or debited) to the statement of financial activities in the year in which they arise.

**Debtors**

Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

**Cash at bank and in hand**

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

**Creditors and provisions**

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

**Fund accounting**

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

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

**1 Donations**

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
<b>Grants and donations received</b>				
Grants				
. The Joseph Rowntree Charitable Trust	35,000	—	35,000	35,000
. Esmée Fairbairn Foundation	43,833	—	43,833	40,000
. Lankelly Chase Foundation	58,334	—	58,334	38,333
. The Tudor Trust	45,000	—	45,000	42,500
. Friends Provident Foundation	18,750	—	18,750	49,747
. The Jeremy Collier Foundation	—	—	—	10,000
. The Polden-Puckham Charitable Foundation	16,250	—	16,250	12,500
. Unison	—	—	—	1,000
. Unite	—	—	—	1,000
. Frederick Mulder Foundation	3,333	—	3,333	—
. Anonymous	4,333	—	4,333	—
Donations				
. Donations from NGOs – The Serve All Trust	10,000	—	10,000	500
. Donations from other organisations – World First FE	—	—	—	1,000
. Unite	1,000	—	1,000	—
. Donations from individuals	51,278	—	51,278	59,442
<b>Total 2017</b>	<b>287,111</b>	<b>—</b>	<b>287,111</b>	<b>291,022</b>
<b>Total 2016</b>	<b>279,794</b>	<b>11,228</b>	<b>291,022</b>	

## Notes to the financial statements 31 January 2017

### 2 Other trading activities

	Unrestricted	
	Total 2017 £	Total 2016 £
<i>Full members</i>		
Unite – the Union	2,000	2,000
EIRIS	1,000	1,000
Oxfam	2,000	2,000
WWF – UK	2,000	2,000
Unison	2,000	2,000
Greenpeace	2,000	1,167
Christian Aid	2,000	2,000
Access – Now	1,000	1,000
Citizens UK	2,000	2,000
CAFOD	2,000	2,000
CWU	2,000	2,000
Friends of the Earth	2,000	2,000
Prospect	2,000	2,000
TSSA	1,000	1,000
Community Union	1,000	1,000
Educational Institute of Scotland	400	833
National Council for Voluntary Organisations	1,000	625
Tearfund	1,667	333
University and College Union	2,000	2,000
Other	2,000	—
	<b>33,067</b>	<b>28,958</b>
<i>Associate members</i>		
Unison Midlands	58	100
	<b>58</b>	<b>100</b>
<i>CRIN Membership fees</i>		
Trust for London	5,000	5,000
Tellus Mater Foundation	5,000	5,000
The Ashden Trust	3,334	3,334
Barrow Cadbury Trust	5,000	5,000
The Joseph Rowntree Charitable Trust	5,000	5,000
The Joseph Rowntree Foundation	5,000	5,000
Lankelly Chase Foundation	5,000	5,000
Friends Provident Foundation	5,000	5,000
The Polden-Puckham Charitable Foundation	5,000	5,000
Holly Hill Charitable Trust	1,250	5,000
JJ Charitable Trust	3,333	3,333
Mark Leonard Trust	3,333	3,333
Comic Relief	5,000	5,000
Esmée Fairbairn Foundation	5,000	5,000
Panahpur	1,250	5,000
The Baring Foundation	5,000	5,000
The Tudor Trust	5,000	5,000
The Jeremy Collier Foundation	1,667	3,542
The Golden Bottle Trust	5,000	3,542
Jesuits in Britain	5,000	4,167
WWF-UK	10,000	832
Paul Hamlyn Foundation	4,583	—
Save the Children Fund	3,333	—
The Health Foundation	1,667	—
The Scott Trust Limited	833	—
Treebeard Trust	417	—
	<b>105,000</b>	<b>92,083</b>
<b>Total</b>	<b>138,125</b>	<b>121,141</b>

Notes to the financial statements 31 January 2017

**3 Investment income**

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Bank interest receivable	1,416	—	1,416	613
Dividends receivable	86	—	86	73
Total 2017	1,502	—	1,502	686
Total 2016	686	—	686	

**4 Income from charitable activities**

	Restricted	
	Total 2017 £	Total 2016 £
Christian Aid	2,083	30,799
Barrow Cadbury Trust	34,000	26,000
City Bridge Trust	39,750	39,167
Client Earth	97,500	63,419
Community Initiatives/ Foundation Nathan Cummings	—	2,052
Oxfam – UK	—	3,333
Oxfam – Novib	—	31,847
Platform	—	5,425
Tellus Mater Foundation	70,833	63,750
Trust for London	15,333	29,667
WWF – UK	2,500	10,833
WWF – Switzerland	13,612	11,804
The Climate Change Collaboration (Ashden Trust; JJ Charitable Trust; Mark Leonard Trust; Tedworth Charitable Trust)	33,334	26,666
The Ashden Trust	—	20,000
MAVA Foundation	95,588	114,399
The Jeremy Coller Foundation	95,228	52,612
Network for Social Change	7,500	15,405
Purpose	—	12,240
Médecines Sans Frontières International	14,197	626
European Commission in the UK	5,805	1,806
KR Foundation	34,408	29,472
The Baring Foundation	—	7,500
PRI	6,250	5,000
Lankelly Chase Foundation	—	8,334
Joseph Rowntree Foundation	1,200	5,024
Department for International Development	35,636	—
European Climate Foundation	87,341	—
New Venture Fund	44,098	—
Humanity United	26,597	—
Friends Provident Foundation	18,750	—
Guerrilla Foundation	2,777	—
Other	5,750	—
Total 2017	790,070	617,180
Total 2016	617,180	

## 5 Expenditure

	Raising funds £	Campaigning and education £	Total 2017 £	Total 2016 £
<i>Direct costs</i>				
Staff costs (note 6)	—	613,035	<b>613,035</b>	526,553
Research & communication	—	54,800	<b>54,800</b>	42,581
	—	667,835	<b>667,835</b>	569,134
<i>Support costs</i>				
Staff costs (note 6)	58,901	230,824	<b>289,725</b>	218,334
Other staff expenses	680	9,749	<b>10,429</b>	9,652
Legal & professional	393	5,630	<b>6,023</b>	4,141
Depreciation	393	5,630	<b>6,023</b>	5,139
Operating lease rentals (note 14)	3,751	53,749	<b>57,500</b>	46,042
General office costs	3,232	46,288	<b>49,520</b>	30,172
Website & ICT expenses	1,009	14,456	<b>15,465</b>	30,605
Travel and subsistence	587	8,402	<b>8,989</b>	11,031
Bank charges	110	1,566	<b>1,676</b>	1,653
Legal & professional fees				589
Auditors' remuneration				
. Audit fee (including VAT) – current year	277	3,973	<b>4,250</b>	4,800
. Audit fee (including VAT) – prior year	—	—	—	(800)
. Other services	—	—	—	—
Irrecoverable VAT	—	8,770	<b>8,770</b>	4,462
Other expenses	—	126	<b>126</b>	—
	69,333	389,163	<b>458,496</b>	365,820
<b>Total</b>	<b>69,333</b>	<b>1,056,998</b>	<b>1,126,331</b>	<b>934,954</b>

The allocation of costs between funds was as follows:

	Unrestricted funds £	Restricted funds £	Total funds 2017 £
<b>2017</b>			
Raising funds	69,333	—	<b>69,333</b>
Campaigning and education	265,122	791,876	<b>1,056,998</b>
<b>Total 2017</b>	<b>334,455</b>	<b>791,876</b>	<b>1,126,331</b>
<b>2016</b>			
Raising funds	35,959	—	<b>35,959</b>
Campaigning and education	268,695	630,300	<b>898,995</b>
<b>Total 2016</b>	<b>304,654</b>	<b>630,300</b>	<b>934,954</b>

**6 Particulars of employees**

The average number of employees analysed by function was:

	2017 No.	2016 No.
Campaigning and education	26	19
Management and administration	5	5
	31	24

Their total remuneration was:

	2017 £	2016 £
Wages and salaries	775,221	638,790
Social Security costs	72,753	60,005
Pension costs	54,786	46,092
	902,760	744,887

One employee earned between £60,001 and £70,000 per annum (2016 - one) during the year.

No trustee received any remuneration for their services during the year (2016 - £nil). Two trustees (2016 - one) received reimbursement for travelling expenses of £342 (2016 - £31).

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the trustees and those members of staff who attend board meetings. The total remuneration of the key management personnel for the year was £194,053 (2016 - £266,261).

**7 Taxation**

The company has been set up as a non-profit making charitable foundation and in December 2006 was registered as a charity and, therefore, is not liable to corporation tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

**8 Tangible fixed assets**

	Computer equipment £
<b>Cost</b>	
Cost at 1 February 2016	28,358
Additions	4,440
Disposals	(8,782)
At 31 January 2017	<u>24,016</u>
<b>Depreciation</b>	
Depreciation at 1 February 2016	18,756
Charge for the year	6,023
Disposals	(8,782)
At 31 January 2017	<u>15,997</u>
<b>Net book values</b>	
At 31 January 2017	<u>8,019</u>
At 31 January 2016	<u>9,602</u>

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

**9 Fixed asset investments**

	2017 £	2016 £
<b>Listed investments</b>		
Market value at 1 February 2016	1,233	1,127
Additions at cost	501	411
Disposals at book value	—	—
Net unrealised gains	94	(305)
Market value at 31 January 2017	<u>1,828</u>	1,233
<b>Cash held by investment managers for re-investment</b>	<u>186</u>	123
	<u>2,014</u>	<u>1,356</u>
Cost of listed investments at 31 January 2017	<u>2,723</u>	2,222

All listed investments were dealt in on a recognised stock exchange.



Notes to the financial statements 31 January 2017

**10 Debtors**

	2017 £	2016 £
Trade debtors	355,995	117,575
Other debtors	24,226	18,266
Prepayments	10,159	12,777
	<u>390,380</u>	<u>148,618</u>

**11 Creditors: amounts falling due within one year**

	2017 £	2016 £
Trade creditors	2,989	12,099
Other taxes and social security costs	20,837	16,973
Accruals	12,743	4,541
Deferred income	446,981	210,257
Other creditors	10,378	28,488
	<u>493,928</u>	<u>272,358</u>

Deferred income comprises membership income, CRIN membership income and grant income.

	2017 £	2016 £
Membership income	12,250	14,375
CRIN membership income	43,333	33,334
Grant income	391,398	162,548
	<u>446,981</u>	<u>210,257</u>

## 12 Restricted funds

	Balance at 1 February 2016 £	Income and gains £	Expenditure £	Balance at 31 January 2017 £
Christian Aid	—	2,083	(2,083)	—
Barrow Cadbury	—	34,000	(34,000)	—
City Bridge Trust	—	39,750	(39,750)	—
Client Earth	—	97,500	(97,500)	—
Tellus Mater Foundation	—	70,833	(70,833)	—
Trust for London	—	15,333	(15,333)	—
WWF – UK	—	2,500	(2,500)	—
The Climate Change Collaboration (Ashden Trust; JJ Charitable Trust; Mark Leonard Trust; Tedworth Charitable Trust)	—	33,334	(33,334)	—
MAVA Foundation	—	95,588	(95,588)	—
The Jeremy Collier Foundation	—	95,228	(95,228)	—
Network for Social Change	—	14,197	(14,197)	—
WWF - Switzerland	—	13,612	(13,612)	—
Médecines Sans Frontieres International	—	7,500	(7,500)	—
The European Commission in the UK	1,806	5,805	(7,611)	—
KR Foundation	—	34,408	(34,408)	—
PRI	—	6,250	(6,250)	—
Joseph Rowntree Foundation	—	1,200	(1,200)	—
Department for International Development	—	35,636	(35,636)	—
European Climate Foundation	—	87,341	(87,341)	—
New Venture Fund	—	44,098	(44,098)	—
Humanity United	—	26,597	(26,597)	—
Friends Provident Foundation	—	18,750	(18,750)	—
Guerilla Foundation	—	2,777	(2,777)	—
Other	—	5,750	(5,750)	—
<b>Total restricted funds</b>	<b>1,806</b>	<b>790,070</b>	<b>(791,876)</b>	<b>—</b>

## 13 Analysis of net assets between funds

Total funds are represented by:

	Unrestricted funds £	Tangible fixed asset fund £	Restricted funds £	Total funds £
Fixed assets	—	8,019	—	8,019
Investments	2,014	—	—	2,014
Current assets	681,473	—	202,499	883,972
Creditors	(291,429)	—	(202,499)	(493,928)
	<b>392,058</b>	<b>8,019</b>	<b>—</b>	<b>400,077</b>

**13 Analysis of net assets between funds** (continued)

The total unrealised losses included in net assets above as at 31 January 2017 constitutes movements on revaluation and are as follows:

	2017 £	2016 £
<b>Unrealised losses included above:</b>		
On investments	(895)	(989)
<b>Total unrealised losses at 31 January 2017</b>	<b>(895)</b>	<b>(989)</b>
<b>Reconciliation of movements in unrealised losses</b>		
Unrealised losses at 1 February 2016	(989)	(684)
Add: net gains (losses) arising on revaluation arising in the year	94	(305)
<b>Total unrealised (losses) at 31 January 2017</b>	<b>(895)</b>	<b>(989)</b>

**14 Financial commitments**

***Land and building***

At 31 January 2017, the charity had the following future minimum commitments in respect to non-cancellable operating leases:

	Land and buildings	
	2017 £	2016 £
Payable within one year	64,800	57,500
Payable between one to two years	37,800	57,500
Payable between two to five years	—	33,542

***Equipment***

At 31 January 2017, the charity had the following future minimum commitments in respect to non-cancellable operating leases:

	Equipment	
	2017 £	2016 £
Payable within one year	2,194	2,194
Payable between one to two years	2,194	2,194
Payable between two to five years	914	5,118

**15 Pensions**

The charity contributes to pension arrangements on behalf of its employees. Within each employee's contract of employment there is a clause whereby the charity 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 6.

**16 Legal status of the company**

The charity 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 nineteen full members and one associate member.

**17 Related party transactions**

The aggregate amount of unrestricted donations received from related parties was £18,750. This comprises a donation of £18,750 from Friends Provident Foundation who also gave a restricted grant of £18,750 and paid £5,000 for CRIN membership in the year. One of the charity's trustees is also a trustee of Friends Provident Foundation.

Another restricted grant of £97,500 was received from Client Earth of which one of the charity's trustees is also a trustee.

£833 was received from The Scott Trust for CRIN membership. The charity's CEO is a trustee of The Scott Trust.