

FAIRSHARE EDUCATIONAL FOUNDATION
(A Company Limited by Guarantee)

REPORT AND ACCOUNTS
FOR THE YEAR ENDED
31ST JANUARY 2011

Registered Company Number: 05013662

Registered Charity Number: 1117244

FAIRSHARE EDUCATIONAL FOUNDATION
(A Company Limited by Guarantee)

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FAIRSHARE EDUCATIONAL FOUNDATION
(A Company Limited by Guarantee)

LEGAL AND ADMINISTRATIVE INFORMATION

BOARD OF TRUSTEES AND DIRECTORS	Jeremy Nicholls (Chair) Sam Clarke Roger Jeary Jenine Langrish Jennifer Morgan Lenka Setkova Tim Valentine
SECRETARY	Louise Rouse
CHIEF EXECUTIVE	Catherine Howarth
CHARITY NAME	Fairshare Educational Foundation
PRINCIPAL AND REGISTERED OFFICE	Trowbray House 108 Weston Street LONDON SE1 3QB
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

The year ending January 31st 2011 was another strong one for FairPensions. We branched into several bold new activities, strengthened our international relationships and reach, attracted a record number of individual supporters, and bolstered the governance of the charity.

The highlight of 2010 was FairPensions' co-ordination of shareholder resolutions at BP and Shell, which brought to the attention of major investors across the world the environmental, social and financial risks of Canadian oil sands operations. The resolutions catalysed a far higher level of investor and public scrutiny of these controversial energy projects and forced both companies to respond accordingly.

FairPensions' management of the process and our co-ordination of the varied parties involved enhanced our reputation as an effective NGO with a particular ability to bring together players in the investment world and civil society who would normally not connect. Our 2010 work on oil sands has set us up well not only for further work engaging the investment community on the risks of frontier oil projects but also as the leading British NGO with expertise on shareholder activism.

The appointment of a dedicated staff member responsible for policy work and public affairs resulted in a strong contribution over the year to public consultations on investment governance and private pensions. Our long-standing campaign for greater transparency to pension scheme members on the investment of their pensions moved up a gear with a public mobilisation targeting the Coalition Government's pensions' minister. FairPensions secured many new supporters in both Houses of Parliament and in all political parties, and we ended the year with a Commons adjournment debate on responsible investment which was widely reported in the UK's pensions press.

Our 2010 Guest Lecture was once again held in Parliament with a keynote address by Anne Simpson of the California state pension fund, a global leader in responsible investment. Lord Paul Myners responded to Anne Simpson in typically robust style, paying generous tribute to the work of FairPensions.

Researching the responsible investment performance of the pensions and fund management industry continues to be a core activity for us. In December we published, *Stewardship in the Spotlight*, providing the first public analysis of fund managers' reporting on the UK's new Stewardship Code. The report also ranked the largest fund management firms on their transparency on responsible investment. As ever, FairPensions' industry rankings secured strong media coverage, not least a live interview on BBC breakfast news.

Catherine Howarth was on maternity leave for three months of the year. In her absence the staff team continued to deliver strongly against the Operational Plan with Duncan Exley and Louise Rouse jointly covering as acting CEO. Two new board sub-committees, Governance and Fundraising, were established during the year and rapidly began delivering value for the organisation.

In summary, FairPensions continues to grow in experience and expertise, making and winning the case for responsible investment both inside and outside the investment industry.

JEREMY NICHOLLS
Chair

FAIRSHARE EDUCATIONAL FOUNDATION
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REPORT OF THE TRUSTEES

for the year ended 31st January 2011

The Trustees present their report together with the audited accounts of the charitable company for the year ended 31st January 2011. 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 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.

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

Jeremy Nicholls	(chair)
Stuart Bell	(resigned 18 October 2010)
Sam Clarke	
David Davies	(resigned 20 May 2010)
Roger Jeary	(appointed 18 October 2010)
Stephen Hine	(resigned 18 October 2010)
Jenine Langrish	
Jennifer Morgan	
Lenka Setkova	(appointed 1 March 2010)
Tim Valentine	
Paul Watchman	(resigned 20 May 2010)

Related parties

The charitable company receives voluntary help from Unite – the union (printing support). Unite is a full member and is represented on the board of the charitable company.

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 these is the risk of inadequate returns on continuing fundraising. The next most significant risks are the loss of key personnel and the impact of legal action. The board continues to review these risks on a regular basis and works to ensure they are appropriately minimised.

FAIRSHARE EDUCATIONAL FOUNDATION
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REPORT OF THE TRUSTEES (continued)

for the year ended 31st January 2011

OBJECTIVES AND ACTIVITIES

FairPensions' core charitable objective is the promotion of 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 company has been set up as a non-profit making charitable foundation. 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 ended 31st January 2011, these objectives were fulfilled by undertaking the following range of activities:

- Influencing the Responsible Investment policy and practice of pension funds and fund managers, through face-to-face engagement, training of pension fund trustees and through the publication and dissemination of a research report on the UK's largest fund managers.
- Challenging major investors to engage with BP and Royal Dutch Shell on the principal environmental, social and financial risks associated with oil sands operations in Alberta, Canada. This was undertaken by coordinating shareholder resolutions at Shell and BP's 2010 AGMs.
- Working with public policymakers, regulatory bodies and politicians to raise the profile of Responsible Investment and to make the case for regulatory changes that enhance the transparency of institutional investors' activities as well as their focus on environmental, social and governance issues.
- Four expert seminars on investors' fiduciary obligations. These events laid the groundwork for a report on fiduciary duties to be published in the following financial year.

ACHIEVEMENTS AND PERFORMANCE

Significant achievements during the year included the following:

Research and publications

- In December FairPensions published "Stewardship in the Spotlight". The report ranked the UK's largest fund managers on their transparency regarding the management of environmental, social and governance (ESG) risk. It also provided the first published analysis of UK fund manager responses to the new Stewardship Code. The research process prompted several managers to improve their ESG disclosures before publication and at least one other major global firm was prompted to improve once the ranking was made public. FairPensions' Director of Engagement, who had led the research project, gave an interview on the findings on BBC Breakfast TV news.

Capital markets campaigning

- The two shareholder resolutions, at BP and Royal Dutch Shell, proved to be a significant highlight of 2010, raising FairPensions' global profile and catalyzing sustained shareholder scrutiny of oil sands projects in Alberta, Canada. Since large institutional investors in BP and Shell had to vote one way or another on the resolutions, and justify their voting decisions to clients, oil sands was driven from the periphery to the centre of investor concern in Spring 2010. These controversial projects shifted from being a discussion point only amongst SRI fund managers to being a topic which 'mainstream' fund managers were obliged to get to grips with and take a view on.
- In conjunction with partners (WWF, Greenpeace and The Co-op) FairPensions provided a series of written and oral briefings to the investment community which significantly influenced questions put by investors to BP and Shell.

ACHIEVEMENTS AND PERFORMANCE

Significant achievements during the year included the following:

Capital markets campaigning (continued)

From the moment the resolutions were filed and a public vote became inevitable, the companies were obliged to respond. As investor pressure grew in the weeks leading up to the AGM, BP and Shell made a series of significant disclosures to see off a stronger vote in favour of the resolution. These disclosures (on greenhouse gas emissions, carbon pricing, energy demand projections and projected breakeven price for oil sands projects) became the subject of a fresh wave of investor scrutiny. Thus the resolution process created a fruitful on-going cycle of questions and analysis which is maintaining healthy pressure on oil majors in Alberta.

As part of the campaign, FairPensions made available a dedicated web tool which allowed individuals to communicate directly with their pension providers calling for votes in favour and asking for details of voting decisions. Over 6,000 emails were sent to pension providers. This greatly encouraged institutional investor interest in the resolutions and also generated media interest in this novel 'grassroots' element to the campaign.

- In the aftermath of the Gulf of Mexico oil spill, FairPensions began a program of investor engagement on 'unconventional' or frontier oil projects which include deepwater drilling, Arctic oil exploration and Canadian Oil Sands. The purpose was to raise awareness among institutional investors of the existence of risks similar to those highlighted by the Gulf of Mexico oil spill (health and safety, inadequate risk assessments, lack of operational oversight) across a wide range of oil projects and to encourage continued investor dialogue with energy companies on these risks. One element of this post Gulf of Mexico program was a short project entitled "Got Oil?" in association with our member organisation Greenpeace UK encouraging individuals to ask their pension providers to question oil companies about their readiness for a transition to a low carbon global economy. Over 3,000 people took an on-line action and many pension providers responded to emails explaining what steps they were taking to address risks attached to unconventional oil.

2010 saw FairPensions develop a range of important new relationships internationally. We advised Friends of the Earth Europe as well as a growing number of US based investors and NGOs.

Public policy and regulation

- 2010 saw a significant number of post-financial crisis public consultations on the role of investment practices in facilitating or inhibiting stable financial markets. FairPensions made a strong contribution to these debates with a series of submissions to consultations run by the European Commission, Treasury, Financial Services Authority and the Financial Reporting Council. In several cases we were one of a small number of NGO submissions. 2010 saw FairPensions profile grow significantly as a respected commentator on investment practices and public benefit.
- Our long-standing campaign for obligations upon pension providers to make more information available to their scheme members and customers advanced in 2010. The Coalition Government's pension minister was the focus of an on-line supporter mobilization around pension fund disclosure requirements. This moved the issue much further up the agenda of the Department for Work and Pensions. The minister concerned made a number of encouraging statements supporting the intention behind FairPensions' campaign. We continue to press this case and are pleased with the progress made during the year.

Fiduciary obligation

- During 2010, FairPensions launched a multi-year project on the nature of fiduciary obligation in the context of invested pension savings. Four expert seminars were held which brought together diverse perspectives on how pension providers can best meet the best interests of their members in the 21st century and the challenges which providers now face in doing so.

FAIRSHARE EDUCATIONAL FOUNDATION
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REPORT OF THE TRUSTEES (continued)

for the year ended 31st January 2011

PUBLIC BENEFIT

The trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 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.

Our 2010-11 work on Canadian oil sands projects catalysed productive dialogue between large institutional investors and two global energy companies, BP and Shell, over the manner in which these major industrial projects are being planned and carried out. The shareholder resolutions at both companies’ AGMs, which FairPensions co-ordinated, prompted a group of the largest fund management companies in the UK to commit to on-going close monitoring of the social and environmental impacts of Canadian oil sands projects. The outcome of this project is that oil sands operators, including but not limited to BP and Shell, are now held more rigorously accountable for their impacts on communities and the natural environment.

In line with FairPensions’ objective to “advance the education of the public”, we made particular progress in the year ending 31st January 2011 in driving up public awareness of the relationship between invested savings and environmental integrity. We achieved record numbers of on-line ‘actions’ in connection with the shareholder resolutions cited above in which individuals communicated with their pension provider to urge responsible investment. Our media profile grew significantly over the year, providing FairPensions with opportunities to reach a substantial audience (not only in the UK but in Canada and the United States) with our key message that environmental degradation often presents meaningful financial costs to pension savers as well as physical costs to the environment.

Our work also delivers financial and economic benefit: companies which pay close attention to their 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 sound financial investment. FairPensions’ work to promote responsible investment of pensions helps to safeguard the retirement savings of millions of working people in the UK.

FINANCIAL REVIEW

Membership income for the year was up on last year. Fourteen member organisations contributed fees amounting to £14,400 (2010 – eleven members, £12,000) during the year. The charitable company received grants from fourteen organisations (2010 - nine) totalling £254,755 (2010 - £197,659) (including campaigning and education income). Of these, ten grants were restricted as shown in note 2 to the accounts. In addition it received donations from its supporters of £37,496 (2010 - £32,122). Expenses amounted to £256,399 (2010 - £225,451) leaving a total surplus of £50,743 (2010 - surplus £18,670) 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.

FAIRSHARE EDUCATIONAL FOUNDATION
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REPORT OF THE TRUSTEES (continued)
for the year ended 31st January 2011

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.

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 will be proposed for re-appointment in accordance with the provisions of the Companies Act 2006.

By Order of the Board

Jeremy Nicholls
Chair

12 September 2011

FAIRSHARE EDUCATIONAL FOUNDATION
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**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 2011 set out on pages 9 to 17. 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 company circumstances and have been consistently applied and adequately disclosed; the reasonableness of the 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 2011 and incoming resources and application of resources, 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:

- the charitable company has not kept adequate accounting records, 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.

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: 23 September 2011

FAIRSHARE EDUCATIONAL FOUNDATION
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STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31st January 2011

(Incorporating the income and expenditure account)

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
INCOMING RESOURCES					
<i>Incoming resources from generated funds</i>					
<i>Voluntary income</i>					
Grants and donations	2	145,829	65,968	211,797	166,045
Membership subscriptions	2	14,400	-	14,400	12,000
<i>Activities for generating funds</i>					
Fundraising events		-	-	-	1,648
<i>Investment income</i>					
Bank interest receivable		416	-	416	592
<i>Incoming resources from charitable activities</i>					
Campaigning and education	2	-	80,454	80,454	63,736
<i>Other incoming resources</i>		75	-	75	100
Total incoming resources		160,720	146,422	307,142	244,121
RESOURCES EXPENDED					
<i>Costs of generating funds</i>					
Costs of generating voluntary income	3	8,735	6,598	15,333	13,451
<i>Charitable activities</i>					
Campaigning and education	3	102,094	129,729	231,823	200,917
<i>Governance costs</i>	3	9,043	200	9,243	11,083
Total resources expended		119,872	136,527	256,399	225,451
NET INCOMING (OUTGOING) RESOURCES FOR THE YEAR					
		40,848	9,895	50,743	18,670
Reconciliation of funds					
Total funds brought forward		69,674	47,736	117,410	98,740
TOTAL FUNDS CARRIED FORWARD	9	110,522	57,631	168,153	117,410

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 17 form part of these accounts.

FAIRSHARE EDUCATIONAL FOUNDATION
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BALANCE SHEET

as at 31st January 2011

	Notes	2011 £	2010 £
FIXED ASSETS			
Tangible assets	6	2,006	1,010
CURRENT ASSETS			
Debtors	7	61,408	64,510
Cash at bank		146,495	100,860
Total current assets		207,903	165,370
LIABILITIES			
Creditors: Amounts falling due within one year	8	(41,756)	(48,970)
Net current assets (liabilities)		166,147	116,400
Total assets less current liabilities		168,153	117,410
FUNDS OF THE CHARITY			
Unrestricted income funds: General fund	9	110,522	69,674
Restricted income funds	9	57,631	47,736
Total charity funds	9	168,153	117,410

The Financial Statements were approved by the Board of Directors on 12 September 2011 and signed on their behalf by: -

- JEREMY NICHOLLS - Chair of the Board of Directors

Registered Company Number: 05013662

The notes on pages 11 to 17 form part of these accounts.

FAIRSHARE EDUCATIONAL FOUNDATION
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NOTES TO THE ACCOUNTS

for the year ended 31st January 2011

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 2010. 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.

FAIRSHARE EDUCATIONAL FOUNDATION
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NOTES TO THE ACCOUNTS (continued)
for the year ended 31st January 2011

2. Analysis of incoming resources

<i>(a) Incoming resources from generated funds</i>	General Fund £	Restricted Fund £	Total 2011 £	<i>Total 2010 £</i>
Voluntary income				
Grants and donations received				
<i>Grants:</i>				
The Sigrid Rausing Trust	55,000	-	55,000	60,000
Network for Social Change	-	6,594	6,594	12,808
The City Bridge Trust	-	34,292	34,292	36,137
Friends Provident Foundation	-	20,000	20,000	16,667
The Funding Network	-	5,082	5,082	5,811
The Joseph Rowntree Charitable Trust	30,000	-	30,000	2,500
Esmee Fairbairn	18,333	-	18,333	-
The Ashden Trust	5,000	-	5,000	-
<i>Donations:</i>				
Donations from NGOs - Workers Beer Company	4,118	-	4,118	6,357
Donations from individuals	33,378	-	33,378	25,765
<i>Total grants and donations</i>	145,829	65,968	211,797	166,045
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	2,000
Amnesty International UK	2,000	-	2,000	-
Greenpeace	2,000	-	2,000	-
CAFOD	-	-	-	2,000
	13,000	-	13,000	11,000
<i>Associate members:</i>	1,400	-	1,400	1,000
<i>Total membership fees</i>	14,400	-	14,400	12,000
 <i>(b) Incoming resources from charitable activities</i>				
<i>Campaigning and education</i>				
Grant from The Nuffield Foundation	-	-	-	22,736
Grant from Co-op Group	-	-	-	40,000
Grant from Holly Hill Charitable Trust	-	3,000	3,000	1,000
Grant from JMG Foundation	-	2,600	2,600	-
Grant from Greenpeace	-	16,208	16,208	-
Grant from CERES	-	13,000	13,000	-
Grant from Unison	-	25,646	25,646	-
Grant from PCS	-	20,000	20,000	-
<i>Total income from charitable activities</i>	-	80,454	80,454	63,736

FAIRSHARE EDUCATIONAL FOUNDATION
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NOTES TO THE ACCOUNTS (continued)
for the year ended 31st January 2011

2. Analysis of incoming resources (continued)

Income above is after allowing for deferred income as follows:

	Deferred b/f £	Received in year £	Deferred c/f £	Income as above £
Grants - The City Bridge Trust	9,125	28,313	(3,146)	34,292
Grants – Joseph Rowntree Charitable Trust	5,000	30,000	(5,000)	30,000
Grants – The Ashden Trust	-	20,000	(15,000)	5,000
Grants – The Sigrid Rausing Trust	-	60,000	(5,000)	55,000
Grants – Esmee Fairbairn Foundation	-	20,000	(1,667)	18,333
	<u>14,125</u>		<u>29,813</u>	

The amounts deferred above are shown as deferred income under creditors (note 8).

3. Total resources expended

	Costs of generating funds £	Campaigning and education £	Governance costs £	Total 2011 £	<i>Total 2010 £</i>
Staff costs (see note 4)	-	44,745	-	44,745	45,635
Other staff expenses	-	3,170	-	3,170	4,592
Research & communication	-	15,253	-	15,253	7,556
Fundraising	-	-	-	-	940
Auditors' remuneration					
Audit fee (including VAT)	-	-	1,680	1,680	1,469
Accountancy fees (including VAT)	-	-	780	780	529
Legal & professional fees	-	-	65	65	66
Travel & subsistence	-	105	87	192	-
<i>Support costs:</i>					
Staff costs (see note 4)	12,655	127,923	5,291	145,869	124,409
Other staff expenses	39	589	20	648	774
Legal and professional	-	-	-	-	115
Depreciation	61	922	30	1,013	531
Operating lease rentals (see note 10)	982	14,891	491	16,364	12,910
General office costs	1,034	15,692	517	17,243	13,657
Travel & subsistence	120	1,823	60	2,003	2,308
Website and ICT expenses	368	5,580	184	6,132	9,152
Bank charges	74	1,130	38	1,242	808
	<u>15,333</u>	<u>231,823</u>	<u>9,243</u>	<u>256,399</u>	<u>225,451</u>
<i>2010 Comparisons</i>	<u>13,451</u>	<u>200,917</u>	<u>11,083</u>	<u>225,451</u>	

Support costs are allocated on the basis of staff time.

FAIRSHARE EDUCATIONAL FOUNDATION
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NOTES TO THE ACCOUNTS (continued)
for the year ended 31st January 2011

4. Particulars of employees

	2011	<i>2010</i>
	No.	<i>No.</i>
The average number of employees analysed by function was:		
Campaigning and education	5	<i>4</i>
Management and administration	1	<i>1</i>
	<u>6</u>	<u><i>5</i></u>
	<u><u>6</u></u>	<u><u><i>5</i></u></u>
Their total remuneration (including benefits in kind - none for the year and the previous year) was:		
	£	<i>£</i>
Salaries	162,867	<i>145,371</i>
Social security costs	16,635	<i>14,735</i>
Pension costs	11,112	<i>9,938</i>
	<u>190,614</u>	<u><i>170,044</i></u>
	<u><u>190,614</u></u>	<u><u><i>170,044</i></u></u>

No employee earned more than £60,000 per annum (2010 – £60,000).

No trustee received any remuneration for their services during the year (2010 – Nil). One trustee (2010 – one) received reimbursement for travelling expenses of £87 (2010 – £202).

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 2010	5,430	5,430
Additions	2,009	2,009
	<u>7,439</u>	<u>7,439</u>
At 31st January 2011	7,439	7,439
	<u>7,439</u>	<u>7,439</u>
Accumulated depreciation		
Depreciation at 1st February 2010	4,420	4,420
Charge for the year	1,013	1,013
	<u>5,433</u>	<u>5,433</u>
At 31st January 2011	5,433	5,433
	<u>5,433</u>	<u>5,433</u>
Net book value 31st January 2011	2,006	2,006
	<u>2,006</u>	<u>2,006</u>
<i>Net book value 31st January 2010</i>	<i>1,010</i>	<i>1,010</i>
	<u><i>1,010</i></u>	<u><i>1,010</i></u>

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

FAIRSHARE EDUCATIONAL FOUNDATION
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NOTES TO THE ACCOUNTS (continued)
for the year ended 31st January 2011

7. Debtors

	2011	2010
	£	£
Trade debtors	15,375	14,000
Other debtors	4,204	4,109
Prepayments	886	2,291
Accrued income	40,943	44,110
	61,408	64,510
	61,408	64,510

8. Creditors: Amounts falling due within one year

	2011	2010
	£	£
Trade creditors	1,553	2,447
Other taxes and social security costs	4,624	4,582
Other creditors	536	23,400
Accruals	5,230	4,416
Deferred income (see note 2)	29,813	14,125
	41,756	48,970
	41,756	48,970

9. Total funds

	Balance 1st February 2010	Incoming resources and gains	Resources expended	Transfers between funds	Balance 31st January 2011
	£	£	£	£	£
Restricted funds					
Network for Social Change	-	6,594	(3,197)	-	3,397
The City Bridge Trust	-	34,292	(34,292)	-	-
Friends Provident Foundation	-	20,000	(20,000)	-	-
The Funding Network	-	5,082	(5,082)	-	-
The Nuffield Foundation	22,736	-	(13,502)	-	9,234
Co-op Group	25,000	-	(25,000)	-	-
Holly Hill Charitable Trust	-	3,000	(3,000)	-	-
JMG Foundation	-	2,600	(2,600)	-	-
Greenpeace	-	16,208	(16,208)	-	-
CERES	-	13,000	(13,000)	-	-
Unison	-	25,646	(646)	-	25,000
PCS Union	-	20,000	-	-	20,000
	47,736	146,422	(136,527)	-	57,631
Unrestricted funds					
General fund	69,674	160,720	(119,872)	-	110,522
	117,410	307,142	(256,399)	-	168,153
	117,410	307,142	(256,399)	-	168,153

FAIRSHARE EDUCATIONAL FOUNDATION
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NOTES TO THE ACCOUNTS (continued)
for the year ended 31st January 2011

9. **Total funds** (continued)

The total funds are represented by:

	Restricted Funds	Unrestricted Funds	Total Funds
	£	£	£
Fixed assets	-	2,006	2,006
Net current assets	57,631	108,516	166,147
	57,631	110,522	168,153
	57,631	110,522	168,153

Description of funds

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* granted a grant of £20,000 (2010 - £16,667) towards the core costs of the campaign team.

The *Network for Social Change* granted a grant of £1,455 towards the Tar Sands shareholder campaign and £5,139 towards the AGM Shareholder Resolutions project (2010 - £12,808 towards the costs of the campaign team for harnessing the potential inherent in the membership organisations and the campaign tools made available to them, to significantly increase the effectiveness of the campaigns).

The *City Bridge Trust* granted a grant of £34,292 (2010 - £36,137) as a contribution towards the salary of the Director of Investor Engagement.

The *Funding Network* granted a grant of £5,082 towards the Tar Sands shareholder campaign (2010 - £5,811 for part-funding the costs of the campaign team for running a project for supporter mobilisation and empowerment toolkit).

The *Nuffield Foundation* granted a grant in 2010 of £22,736 towards the costs of running a series of seminars exploring shortcomings and risks in prevailing interpretations of fiduciary duty by UK pension providers.

The *Co-op Group* granted a grant in 2010 of £40,000 towards work focused on resolutions to Shell and BP AGMs re oil sands.

Holly Hill Charitable Trust gave a grant of £1,000 towards the costs of the annual lecture and reception and £2,000 towards the costs of the AGM Shareholder Resolutions project (2010 - 1,000 towards the cost of a seminar on investment at the House of Parliament).

JMG Foundation gave a grant of £2,600 towards the Tar Sands shareholder campaign.

Greenpeace gave a grant of £1,000 towards the Tar Sands shareholder campaign, £13,208 towards work focused on highlighting the risks of unconventional oil to include preparing an investor briefing and providing an online active tool, and £2,000 towards work focused on preparing documents and providing advice for the possible filing of a shareholder resolution at BP plc for its 2011 AGM.

CERES gave a grant of £13,000 towards work focused on preparing documents and providing advice for the possible filing of a shareholder resolution at BP plc for its 2011 AGM.

Unison gave a grant of £25,646 towards a campaign on living wages in the FTSE 100.

PCS gave a grant of £20,000 towards a campaign on living wages in the FTSE 100.

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.

FAIRSHARE EDUCATIONAL FOUNDATION
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NOTES TO THE ACCOUNTS (continued)
for the year ended 31st January 2011

10. Financial commitments

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

	2011	<i>2010</i>
	£	£
Land and buildings: -		
Within one year	8,182	-
Expiring within two to five years	-	16,364
	<u> </u>	<u> </u>

11. Pensions

The charitable company contributes to pension arrangements on behalf of its employees. Within each employee's contract of employment there is clause whereby the charitable company will, if requested, contribute to the individual personal pension arrangements of the employee at the rate of 7% of gross salary. The pension cost for the year amounted to the figure shown in note 4. At the year-end an amount of £674 (2010 - £13,058) was outstanding for pension contributions and is included under creditors.

12. Contingent asset

At 31 January 2011 the charitable company has a contingent asset for a grant of £15,000 receivable from Unison. This is contingent on the charitable company raising funds from other partners to meet the total budget for the living wages campaign. As the conditions for receiving the £15,000 grant were not met at the year end this has not been recognised in the accounts.

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 7 members.