

Charity Registration No. 1108068
Company Registration No. 4500923

**THE SHARE FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)**

REPORT AND FINANCIAL STATEMENTS

31 MARCH 2013

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Saffery Champness
CHARTERED ACCOUNTANTS

THE SHARE FOUNDATION

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THE SHARE FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Charity registration number	1108068
Company registration number	4500923
Date of incorporation	1 August 2002
Start of financial year	1 April 2012
End of financial year	31 March 2013
Directors	G D R Oldham C W Daws R M Kelly J R Reeve H S Royle
Company Secretary	G D R Oldham
Governing Document	Memorandum & Articles of Association incorporated on 1 August 2002, as amended by Special Resolution dated 27 January 2005.
Objects	a) To relieve poverty amongst children and young people in need in accordance with Christian principles and without reference to race, creed or nationality, with a view to improving the condition of life of those for whom funding is provided b) To advance the education of such children and young people in handling their financial situation in order to encourage self sufficiency as they grow into adulthood, through improved ability to handle their own economic circumstances and to help them lift themselves and others in the communities in which they live out of poverty
Registered office	Oxford House Oxford Road Aylesbury Buckinghamshire HP21 8PB
Auditors	Saffery Champness Fox House 26 Temple End High Wycombe Buckinghamshire HP13 5DR
Bankers	HSBC Bank plc 21 High Street Tring Hertfordshire HP21 5AR

THE SHARE FOUNDATION

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2013

The Board of The Share Foundation, who are the directors of the company for the purposes of company law, present their report and audited financial statements for the year ended 31 March 2013

Annual Review 2013

In February 2012 The Share Foundation was appointed by the Department for Education to manage the new UK wide Junior ISA scheme for children and young people in care. Originally announced by the Chancellor of the Exchequer just before Budget 2011, it applies to all Looked After young people who have been in care continuously for over one year and do not have a Child Trust Fund. The Government funds its operation and financial education activities, and provides £200 to open each account.

It is The Share Foundation's role to coordinate the whole scheme, working with Local Authorities, Junior ISA providers and others, and to raise additional voluntary donations to increase account values.

Progress to date

Between March and September 2012 we established the infrastructure to operate the scheme:

- The project was managed by Amanda Williams;
- Systems were built by Methods Consulting;
- The financial education programme was devised by PFEG (the Personal Finance Education Group);
- Premises were arranged in Aylesbury, and
- Our operational team was recruited, led by Anthony Walker.

The go-ahead was given in October 2012, and the formal launch took place in November at the offices of Action for Children.

By the end of March 2013 all Local Authorities in England, Wales and Northern Ireland had registered for the scheme. The transfer of data to enable the Junior ISAs to be opened has been impressive, particularly in England where 96% of all Local Authorities had responded by the end of April 2013. At this point there were 32,000 accounts open out of the anticipated 38,000 for the whole of the United Kingdom.

Table 1 shows progress in different regions of the United Kingdom as at 15 April 2013, and it will be seen that the only nation with Local Authorities still to register is Scotland.

Table 1

	England	Scotland	Wales	N Ireland	Total
No. of Local Authorities	152	32	22	5	211
Participation forms received	152	20	22	5	199
Data received	143	4	13	2	162
% complete	94%	12%	59%	40%	76%
Junior ISAs opened	29,059	295	1,553	298	31,205
Government funds paid out/ in the pipeline	£5.81m	£59,000	£310,600	£59,600	£6.24m

Meanwhile a number of cheques for £200 each are being prepared and sent to young people who are eligible to receive funds but whose Junior ISAs were not opened before they reached the age of 18.

The Junior ISA scheme and its progress are well described on our website, www.sharefound.org, and in our Spring 2013 newsletter. The website contains actual numbers of Junior ISAs open for all Local Authorities where they exceed 10, and the minimum donation per Local Authority that can be allocated immediately, calculated at £10 per account.

THE SHARE FOUNDATION

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2013 (continued)

Fundraising to raise Junior ISA account values

Having successfully opened over 90% of all anticipated Junior ISAs under the scheme, our focus has turned to raising donations to boost the value of accounts from the initial £200. We prepared for this programme by engaging the help of the Philanthropy Company, and we have approached a range of trusts and foundations. In the period immediately following the November launch, we trialled a short advertising campaign; this has now been followed with public relations support from Lansons Communications designed to raise the profile of the Junior ISA scheme and The Share Foundation.

A detailed fundraising strategy has been prepared and is being implemented on a twin-track basis: unrestricted and restricted by geographical area. Due to the large number of accounts now open and the £10 minimum allocation level per account, we need to secure unrestricted donations of over £350,000 in order to be able to allocate them immediately on a country-wide basis. Conversely, the donation target at Local Authority level can be much lower: the average number of Junior ISAs per local authority is approximately 200, so we can immediately allocate donations of an average of some £2,000 at this level.

Our local fundraising campaign is working with a range of partners: the Local Authorities themselves, Community Foundations and Members of Parliament. For example, Paul Goggins, MP for Wythenshawe, who lobbied strongly for the launch of the scheme, is helping us to coordinate a Manchester visit on behalf of over 2,000 young people with Junior ISAs in that area. We also look forward to working with Lord Lieutenants and High Sheriffs, who help raise money for so many local good causes.

There are, of course, specific Foundations who also focus on individual areas; for example in the London area we're working with the Sir John Cass Foundation who have agreed to make a grant of £77,200 to benefit young people in Hackney and Newham.

Our fundraising is particularly effective as 100% of all donations, including tax credits, are routed to young people's accounts. This is because all fund-raising costs of The Share Foundation are covered by benefactor support as these are not met under the Department for Education contract.

So how does it feel for a young person who is benefiting under the scheme?

It's the job of Local Authorities to put young people and their carers in touch with the Junior ISA scheme and The Share Foundation. Where a young person has received a £200 cheque, we have had a considerable number of appreciative notes, letters and messages. Where they have a Junior ISA the scheme will feel rather more embryonic.

At this stage, pending receipt of more substantial donations, account values are generally just over £200, the stock market having been relatively benign since our launch. Many of the recipients during this catch-up year are well into their teens as shown by this analysis:

- | | |
|--|------|
| • 1 to 8 (effectively 1 to 2 due to CTF*) | 7 % |
| • 9 to 14 (effectively 11 to 14 due to CTF*) | 47 % |
| • 15 to 17 | 46 % |

*Child Trust Funds were issued to all children, including those in care, born between 1st September 2002 and 2nd January 2011 and these children cannot have a Junior ISA as well.

THE SHARE FOUNDATION

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2013 (continued)

Many young people benefiting under the scheme will not remain in care long before they reach 18 that's why we are keen to attract additional voluntary contributions as soon as possible Typically, teenagers leaving care have suffered from lack of security, having been through several different foster homes and/or residential homes, and educational instability Meanwhile, their abrupt departure from the care system requires swift adjustment to adult life, which many struggle with, becoming NEET (Not in Employment, Education, or Training) The challenge to make the Junior ISA meaningful is therefore considerable £200 is certainly better than nothing, but it will not make a significant impact on the cliff-edge drop in support that young people experience on leaving care. We therefore need to provide a more meaningful reserve so that the financial education programme can take effect.

The financial education programme is accessible on our website There are guidance booklets for Local Authority corporate parents and carers, and workbooks for 11-14 and 15-17 year groups In addition, young people can take control of their Junior ISA at age 16 but again, we need to build values to considerably more than £200 to make this effective. There is also a helpline run by PFEG for young people and their carers the number for the helpline is 0300-666-0127. As the scheme develops momentum this should provide a valuable point of reference for young people in care to discuss money issues.

In July 2013 we are also launching a competition called '£1,000 at 18' inviting 15-17 year olds to say how they would use £1,000 on gaining access to their Junior ISA funds when reaching adulthood There will be a monthly prize of a £1,000 contribution paid into the winner's Junior ISA for the most constructive ideas

The Junior ISA investments

The Junior ISAs themselves are held with two providers: Children's ISA and The Share Centre Before the scheme was launched we wrote to all Junior ISA providers inviting them to take part, and a number came forward for assessment by our independent account allocation advisor, Kleinwort Benson

Investment styles have been set at strongly defensive for 15-17 year olds, cautious/defensive for 11-14 year olds, and balanced for younger children It would be fair to say that we would have liked to find a Cash Junior ISA provider for 15-17 year olds, but none has been forthcoming to date

The range of Junior ISA providers is somewhat narrower than was the case with Child Trust Funds, as many providers have thresholds for minimum investments In addition, we have set systems interface requirements which are necessary for handling such high volumes of accounts, which have deterred some Junior ISA providers from coming forward

Nevertheless, we are pleased with the service provided by our two providers Children's ISA has opened around 76% of all accounts to date, with The Share Centre opening the remainder The funds used within Junior ISAs are shown in Table 2

THE SHARE FOUNDATION

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2013 (continued)

Table 2

	Age Range	Provider	Fund Name
Mainstream	1-9	Children's ISA	Prudential Balanced Portfolio A
	1-9	Children's ISA	Total Clarity Diversified Balanced A
	1-9	Children's ISA	Total Clarity Diversified Long Term A
	1-9	The Share Centre	SF Positive Fund
	9-15	Children's ISA	Total Clarity Defensive PTF A
	9-15	The Share Centre	SF Cautious Fund
	15-17	Children's ISA	Total Clarity Defensive PTF A
Special	All ages	Children's ISA	Ecclesiastical Amity International A
	All ages	Children's ISA	SWIP Islamic Global Equity C

Accounts are reviewed periodically by Kleinwort Benson

Finances

The Junior ISA scheme has, as expected, made a step change in the financial operations of The Share Foundation. Money flows can now be broadly subdivided into four categories

- **General (Unrestricted Funds).** the governance and non-Junior ISA costs of The Share Foundation, plus fund-raising costs for the Junior ISA scheme (since these are not covered under the Department for Education contract)
- **Department for Education contract (Restricted Funds).** covering all operational and financial education activities under the Junior ISA scheme, including establishment of the systems and infrastructure necessary to operate the scheme. The total monetary value of the contract over the three years to April 2015 is just over £1m
- **Junior ISA Donations (Restricted Funds)** this covers all funds collected from private individuals, charities or businesses for the benefit of individual or groups of children. All funds are held in a separate trust bank account and are distributed to the Junior ISA accounts as soon as it is cost beneficial to do so.
- **Department for Education Contributions** this covers all funds which are routed directly into Junior ISAs. They pass through The Share Foundation in trust status accounts, with a specific account set up to handle contributions from the Department for Education. The Department of Education payments, which also enable payment of £200 cheques where applicable, are expected to total approximately £10m during the first full year of operation

THE SHARE FOUNDATION

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2013 (continued)

General Finances

Total income of £140,000 (including tax credits) resulted from donations from the Gavin Oldham No 4 Trust to provide a good start to the fund-raising programme for Junior ISA contributions. Construction of the website and a range of fund-raising activities incurred a cost of £52,124 during 2012/13, and governance costs were again kept well under control at a total cost of £7,907, including an accrual for the full audit costs of £6,750 for our new audit firm, Saffery Champness

Department for Education Contract

First year costs under the contract are inevitably higher than later years, due to the necessity to build systems, operating and financial education arrangements, and to establish the operational team and their premises. Income from the Department for Education amounted to £608,060 during 2012/13, with the largest items of expenditure being

Software development	180,481
People	109,978
Financial education resources	95,200
Premises	36,979
Equipment	38,248

There was a close working relationship with the Department throughout the year, and we are particularly grateful to all those who have helped us get the Junior ISA scheme off to such a good start. This commitment was illustrated by the decision of Andrew Sargent, Deputy Director at the Department, who requested that donations made to mark his retirement should be directed for the benefit of Junior ISAs opened for young people in care from Tower Hamlets.

Junior ISA Contributions

Clearly the Government is by far the largest contributor to Junior ISAs in the first year, as private sector donations activity is only recently getting under way. The Department for Education contributed £5,417,209 including interest during the year, with a further £369,600 being receivable at 31 March 2013. We also raised £10,691 including Gift Aid from private sector donors during 2012/13.

Charitable Objectives

The Share Foundation's mission is to help children and young people whose family situation is either severely disadvantaged or non-existent to achieve their potential, by providing support in the form of financial resources and education.

To meet this objective The Share Foundation aims

- a) to relieve poverty amongst children and young people in need in accordance with Christian principles and without reference to race, creed or nationality, with a view to improving the condition of life of those for whom funding is provided
- b) to advance the education of such children and young people in handling their financial situation in order to encourage self-sufficiency as they grow into adulthood, through improved ability to handle their own economic circumstances and to help them lift themselves and others, in the communities in which they live, out of poverty

We have referred to the Charity Commission's general guidance on public benefit when reviewing our objectives and planning future activities. The trustees are accordingly satisfied that The Share Foundation meets this test of charitable status.

THE SHARE FOUNDATION

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2013 (continued)

Reserves Policy

The Share Foundation had unrestricted reserves of £255,691 as at 31 March 2013 (31 March 2012. £168,096)

It is the policy of The Share Foundation that unrestricted funds which have not been designated for a specific use should be held for distribution, subject to the retention of sufficient reserves to ensure that, in the event of a significant drop in funding, the trustees will be able to continue the company's current activities while consideration is given to ways in which additional funds may be raised. This policy has been followed throughout the year

Corporate Governance

The trustees who served during the year were

G D R Oldham
C W Daws
R M Kelly
J R Reeve
H S Royle

Consideration of potential new trustees is undertaken by the Board, and recruitment is by invitation

None of the trustees has any beneficial interest in the company. All the trustees, who do not receive remuneration but are able to claim for receipted expenses, are members of the company and guarantee to contribute £1 in the event of a winding up

The Share Foundation was established by Gavin Oldham, one of whose trusts, the Gavin Oldham No 4 Trust, is also a significant donor. This Trust holds as its principal asset shares in Share Plc, parent company of The Share Centre, a leading British retail stockbroker. Gavin Oldham is Chief Executive and, together with his associated family trusts, majority shareholder of Share plc. The Share Centre is a Junior ISA provider having been selected by the independent account allocation advisor, Kleinwort Benson.

The trustees have assessed the major risks to which The Share Foundation is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Statement of trustees' responsibilities

The trustees who are also directors of the charitable company (for the purposes of company law) 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 trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing these financial statements, the trustees are required to

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

THE SHARE FOUNDATION

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2013 (continued)

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 charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as the trustees are aware

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

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

Approved by the trustees and signed on their behalf



Chairman
G D R Oldham

Date 9 August 2013

THE SHARE FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

We have audited the financial statements on pages 1 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008).

This report is made solely to the company's members and the trustees, 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 company's members and trustees those matters we are required to state to them in an auditors' 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, the company's members and the trustees 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 statement of trustees' responsibilities, the trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditors under the Charities Act 2011 and the Companies Act 2006 and report in accordance with those Acts. 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 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 Directors' 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 financial statements

In our opinion the financial statements

- give a true and fair view of the company's state of affairs as at 31 March 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Opinion on other matter prescribed by the Companies Act 2006

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

THE SHARE FOUNDATION

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES (continued)

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 and the Charities Act 2011 require us to report to you if, in our opinion:

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



.... ..
Miss K T Bartlett
(Senior Statutory Auditor)
For and on behalf of

Saffery Champness
Chartered Accountants
Statutory Auditors

Fox House
26 Temple End
High Wycombe
Buckinghamshire
HP13 5DR

Date 20 August 2013

THE SHARE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2013

	Note	Unrestricted funds £	Restricted funds £	Total funds 2013 £	Total funds 2012 £
Incoming resources					
Incoming resources from generated funds					
Voluntary income	2a	140,675	10,016	150,691	70,675
Investment income	2b	11	9	20	23
		140,686	10,025	150,711	70,698
Incoming resources from charitable activities	2c	-	608,060	608,060	-
Total incoming resources		140,686	618,085	758,771	70,698
Resources expended					
Cost of generating funds	3a	52,124	-	52,124	-
Charitable activities	3b	-	541,068	541,068	17,008
Governance costs	3d	967	6,940	7,907	3,095
Total outgoing resources		53,091	548,008	601,099	20,103
Net incoming resources	7	87,595	70,077	157,672	50,595
Total funds brought forward		168,096	-	168,096	117,501
Total funds carried forward		255,691	70,077	325,768	168,096

Movements on all reserves and all recognised gains and losses are shown above. All the charity's operations are classed as continuing.

The notes on page 13 to 19 form part of these financial statements.

THE SHARE FOUNDATION

BALANCE SHEET AS AT 31 MARCH 2013

	Notes	Unrestricted Funds £	Restricted Funds £	2013 £	2012 £
Current assets					
Debtors and prepayments	4	70,135	5,041	75,176	-
Cash at bank and in hand	5	188,156	89,807	277,963	170,372
Total current assets		258,291	94,848	353,139	170,372
 Creditors falling due within one year	6	2,600	24,771	27,371	2,276
 Net current assets		255,691	70,077	325,768	168,096
 Total assets less current liabilities		255,691	70,077	325,768	168,096
 Net assets		255,691	70,077	325,768	168,096
 Funds of the Charity					
Unrestricted fund		255,691	-	255,691	168,096
Restricted funds	8	-	70,077	70,077	-
		255,691	70,077	325,768	168,096

The notes on pages 13 to 19 form part of these accounts

Approved by the Directors on 9 August 2013 and signed on their behalf by



Director
G D R Oldham

Company Number: 4500923

THE SHARE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

1 Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year.

1.1 Basis of accounting

The financial statements have been prepared in accordance with all applicable accounting standards, as modified by the Statement of Recommended Practice (SORP). The accounts have been drawn up in accordance with the provisions of the Charities (Accounts and Reports) Regulations 2008 and the Companies Acts, and include the results of the charity's operations which are described in the Directors' Report, all of which are continuing.

Advantage has been taken of Section 396(5) of the Companies Act 2006 to allow the format of the financial statements to be adapted to reflect the special nature of the charity's operations and in order to comply with the requirements of SORP.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement.

1.2 Incoming resources

These are included in the Statement of Financial Activities (SOFA) when:

- The charity becomes entitled to the resources,
- The trustees are virtually certain they will receive the resources, and
- The monetary value can be measured with sufficient reliability.

When the incoming resources have related expenditure (as with fundraising or contract income) the incoming resource and related expenditure are reported gross in the SOFA.

1.3 Grants and donations

Grants and donations are included in the SOFA when the charity has unconditional entitlement to the resources.

1.4 Tax reclaims on donations and gifts

Incoming resources from tax reclaims are included in the SOFA at the same time as the gift to which they relate.

1.5 Contractual income and performance related grants

This is included in the SOFA once the related goods or services have been delivered.

1.6 Gifts in kind

Gifts in kind are accounted for at a reasonable estimate of their value to the charity or the amount actually realised. Gifts in kind for sale or distribution are included in the accounts as gifts when sold or distributed by the charity. Gifts in kind for use by the charity are included in the SOFA as incoming resources when receivable.

1.7 Donated services and facilities

These are included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

THE SHARE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013 (continued)

1.8 Volunteer help

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report

1.9 Investment income

This is included in the accounts when received

1.10 Liability recognition

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

1.11 Resources expended

Resources expended are included on the Statement of Financial Activities on an accruals basis, inclusive of any VAT that cannot be recovered.

1.12 Governance costs

These include costs of the preparation and audit of statutory accounts, the trustees' meeting and any legal advice to trustees on governance or constitutional matters

1.13 Grants with performance conditions

Where the charity gives a grant with conditions for its payment being a specific level of service or output to be provided, such grants are only recognised in the SOFA once the recipient of the grant has provided the specified service or output.

1.14 Grants payable without performance conditions

These are recognised in the accounts when a commitment has been made and there are no conditions to be met

1.15 Fixed tangible assets

Tangible fixed assets for use by the charity are capitalised if they can be used for more than one year, and cost at least £500. They are valued at cost or, if gifted, at the value to the charity on receipt

Equipment and software acquired as part of the Department of Education service contract has not been capitalised as the economic benefit and ownership of the assets does not pass to the charity

1.16 Junior ISA account

Funds received from The Department for Education to invest in Junior ISAs for qualifying young people are not recognised as income in the charity's accounts as the charity receives the funds as a custodian for the qualifying young people

1.17 Fund accounting

The unrestricted funds consist of funds which the charity may use for its purposes at its discretion

The restricted funds are those where the donor has placed a specific restriction on the use of the funds
A breakdown of the restricted funds of the charity is included in note 8

THE SHARE FOUNDATION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013 (continued)**

2 Incoming resources

	Unrestricted Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
a) Voluntary income				
Gifts and donations	70,540	9,081	79,621	35,540
Tax recoverable	70,135	935	71,070	35,135
	<u>140,675</u>	<u>10,016</u>	<u>150,691</u>	<u>70,675</u>
b) Investment income				
Bank interest	11	9	20	23
	<u>11</u>	<u>9</u>	<u>20</u>	<u>23</u>
c) Incoming resources from charitable activities				
Contractual income from the Department of Education	-	608,060	608,060	-
	<u>-</u>	<u>608,060</u>	<u>608,060</u>	<u>-</u>

3 Resources expended

	Unrestricted Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
a) Cost of generating funds				
Fundraising activities	36,650	-	36,650	-
Fundraising costs	15,474	-	15,474	-
	<u>52,124</u>	<u>-</u>	<u>52,124</u>	<u>-</u>
b) Costs of charitable activities				
Charitable grants	-	395	395	9,825
Operating costs	-	445,473	445,473	7,183
Financial education	-	95,200	95,200	-
	<u>-</u>	<u>541,068</u>	<u>541,068</u>	<u>17,008</u>

THE SHARE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013 (continued)

3 Resources expended (continued)

	Unrestricted Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
c) Operating costs				
Computer costs	-	24,540	24,540	-
Consultancy	-	25,913	25,913	-
Disposal of equipment	-	(1,150)	(1,150)	-
Equipment	-	39,398	39,398	-
Insurance	-	8,480	8,480	-
Light and heat	-	429	429	-
Payroll – services	-	-	-	285
Premises costs	-	28,393	28,393	-
Printing, postage and stationery	-	7,422	7,422	20
Rent and rates	-	4,732	4,732	-
Repairs and maintenance	-	42	42	114
Service charge	-	3,812	3,812	-
Software development	-	180,481	180,481	-
Staff costs	-	100,798	100,798	6,600
Staff recruitment	-	9,180	9,180	-
Telephone	-	1,373	1,373	-
Travel expenses	-	3,132	3,132	144
Website costs	-	8,498	8,498	20
	-	445,473	445,473	7,183
d) Governance costs				
Audit and accountancy fees	1,078	5,500	6,578	1,260
Legal and professional fees	(161)	1,440	1,279	1,835
Trustee expenses	50	-	50	-
	967	6,940	7,907	3,095

4 Debtors and prepayments

	2013 £	2012 £
Trust tax recoverable	70,000	-
Gift Aid tax recoverable	1,070	-
Prepayments	4,106	-
	75,176	-

THE SHARE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013 (continued)

5	Cash at bank and in hand	2013	2012
		£	£
	General Cash Account	269,277	170,372
	Private Sector Trust Account	8,686	-
	Department for Education Trust Account	-	-
		<u>277,963</u>	<u>170,372</u>
6	Creditors: amounts falling due within one year	2013	2012
		£	£
	Trade creditors	273	-
	Accruals	10,092	2,276
	PAYE and NI	9,408	-
	VAT	7,598	-
		<u>27,371</u>	<u>2,276</u>
7	Staff costs and numbers	2013	2012
		£	£
	Gross wages and salaries	103,526	6,600
	Employer's National Insurance costs	9,905	-
	Pension contributions	2,435	-
		<u>115,866</u>	<u>6,600</u>
	Employees who were engaged in each of the following activities	2013	2012
	Operational in respect to charitable activities	4	-
	Fundraising	1	1
		<u>5</u>	<u>1</u>

The charity operates a PAYE scheme to pay all employed members of staff and no employees received emoluments of over £60,000 (2012 None)

THE SHARE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013 (continued)

8 Restricted funds

	Junior ISA Donations £	Department for Education Contract £	2013 Total £	2012 Total £
Balance at 1 April 2012	-	-	-	-
Income	10,025	608,060	618,085	-
Expenditure	(395)	(547,613)	(548,008)	-
Closing funds at 31 March 2013	9,630	60,447	70,077	-

The Junior ISA Donations relates to donations received to be invested into Junior ISA accounts when at least £10 per qualifying child is received

The Department for Education Contract relates to the income received and expenditure incurred in meeting the obligations of the service contract in place with The Department for Education.

9 Movement on Funds

The company is Limited by Guarantee (4500923) and is a charity registered with the Charity Commission (1108068). It does not have a share capital and has no income subject to corporation tax

	2013 £	2012 £
Surplus for the financial year	157,672	50,595
Other recognised gains	-	-
	<u>157,672</u>	<u>50,595</u>
Balance brought forward	168,096	117,501
Closing funds at 31 March 2013	<u>325,768</u>	<u>168,096</u>

10 Annual commitments

The annual commitments under non-cancelling operating leases, capital commitments and contingent liabilities are as follows

31 March 2013 £10,320 (2012 None)

THE SHARE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013 (continued)

11 Payments to directors and related parties

Expenses of £50 were paid to one director (2012. Nil). No other payments were made to directors or any persons connected with them during this financial period. No material transaction took place between the charity and a trustee or any person connected with them (2012. None)

During the year 4,838 Junior Individual Savings Accounts, totalling £967,600, were opened, on behalf of qualifying young people, with The Share Centre. Gavin Oldham is Chief Executive and, together with his associated family trusts, majority shareholder of Share Plc, parent company of The Share Centre. The Share Centre is a Junior ISA provider having been selected by the independent account allocation advisor and all services provided are on an arm's length basis.

During the year The Share Foundation paid £95,200 to PFEG for financial education services in line with the conditions stipulated by The Department for Education service contract. Gavin Oldham is a trustee of both The Share Foundation and PFEG. The services were provided on an arm's length basis.