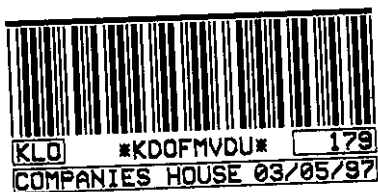


# REGISTRAR OF COMPANIES

**Forum  
for  
the  
Future**

**Annual Report and Accounts**

31 December 1996



**Buzzacott**

Company Limited by Guarantee  
Registration Number  
2959712 (England and Wales)

Charity Registration Number  
1040519

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## **Legal and administrative information**

<b>Directors</b>	Jonathon Porritt Janet Wendy Coates Barber John Richard Sandbrook David Puttnam
<b>Secretary</b>	John Richard Sandbrook
<b>Registered office</b>	18 High Street Cheltenham Glos GL50 1D2
Telephone	01242 262729
Facsimile	01242 262757
<b>Company registration number</b>	2959712 (England and Wales)
<b>Charity registration number</b>	1040519
<b>Auditors</b>	Buzzacott 12 New Fetter Lane London EC4A 1AP
<b>Bankers</b>	Co-operative Bank Business Admin Centre Olympic House 6 Olympic Court Montford Street Salford M5 2QP
<b>Solicitors</b>	Bates Wells and Braithwaite 61 Charterhouse Street London EC1M 6HA

## **Directors' report** 31 December 1996

The directors present the statutory report with the accounts of Forum for the Future for the year ended 31 December 1996.

The results for the year are presented for the first time in the form of a Statement of Financial Activities, which incorporates the traditional income and expenditure account, in order to comply with the revised Statement of Recommended Practice for charities, as issued by the Charity Commission in October 1995 and as identified in the Charities Act 1993.

### **Principal aims and activities**

The objects for which Forum for the Future has been established are to advance the education of the public in economic and social studies as they relate to individuals, communities, society at large and the planet as a whole, with special reference to their inter-relationship with ecology, the natural world, health, technology, agriculture, sustainable development, philosophy and psychology.

These objects will be achieved principally through working partnerships with the business community, local authorities, universities, and a wide range of individual decision makers and opinion formers in society. The emphasis in all our work is on the solutions to today's environmental problems, and the promotion of a 'solutions agenda' through the dissemination of examples of best practice, successful case studies, new research, etc.

### **Organisation**

Forum for the Future has four directors (trustees):

<b>Directors</b>	<b>Appointed / Resigned</b>
Janet Barber	Appointed 17 August 1994 Due for re-election July 1997
Jonathon Porritt	Appointed 17 August 1994 Due for re-election July 1998
David Puttnam	Appointed 16 July 1996 Due for re-election July 1999
Richard Sandbrook	Appointed 17 August 1994 Due for re-election July 1997

**Organisation** (continued)

The day-to-day running of the Forum is delegated to three Programme Directors: Paul Ekins, Sara Parkin and Jonathon Porritt.

More specifically, the directors have delegated their powers to two separate Management Committees:

- ◆ The Forum for the Future Management Committee, comprising the three Programme Directors and six senior management staff; and
- ◆ The Natural Step Management Committee, comprising Sara Parkin, Jonathon Porritt and four other appointees representing business and other interests.

**Progress during the year**

Forum for the Future was officially launched on 26 February 1996, after a year of careful planning and development. Because of the 'umbrella nature' of the Forum (comprising, as it does, a number of core activities as well as additional projects), the Programme Directors were, in effect, launching six separate initiatives in one fell swoop:

- ◆ Forum Scholarships
- ◆ Green Futures Magazine
- ◆ Sustainable Economy Unit
- ◆ Green Futures Consultancy
- ◆ Best Practice for Sustainability Database
- ◆ The Natural Step

Our key targets for 1996 were:

- ◆ to establish the organisational foundations for each of the six principal activities;
- ◆ to appoint key management staff;
- ◆ to recruit the best possible partners for each separate activity;
- ◆ to set up two offices, one in Cheltenham, the other in London;
- ◆ to raise at least £500,000.

All these targets have been successfully achieved.

### **Financial report for the year**

In reality, this has been the first full operating year for the Forum. However, a great deal of time and effort went into developing our fundraising strategy from August 1995 onwards under the guidance of Anne-Marie Dabrowska (Fundraising and Development Director) and Andrew Thomas (of Charity Consultants). This ensured a successful fundraising outcome to 31 December 1996, with incoming resources amounting to £852,536, up from £257,201 in the previous year.

Total expenditure for the year amounted to £507,796, up from £248,577 in the previous year, with a balance of £353,364 carried forward at 31 December 1996. Of this, £167,181 is restricted (ie. income deferred to 1997 to meet committed expenditure), leaving £186,183 as the unrestricted carried forward balance.

The directors have decided to retain no less than 50% of this unrestricted carried forward balance as a contingency reserve, amounting to around 10% of our projected 1997 expenditure.

### **The charity's assets**

Acquisitions and disposals of fixed assets during the year are recorded in the notes to the accounts.

### **Directors' responsibilities statement**

Charity and company law requires the directors, as directors and trustees, to prepare accounts of the charity for each financial year. Company law also requires that the accounts give a true and fair view of the state of affairs of the charity and of its income and expenditure for that period. In preparing the attached accounts the directors consider the charity has:

- ◆ selected suitable accounting policies and then applied them consistently;
- ◆ made judgements and estimates that are reasonable and prudent;
- ◆ followed applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- ◆ prepared the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors have responsibility for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable it to ensure that the financial statements comply with the Companies Act 1985 and the Charities Act 1993. It also has responsibility for safeguarding the assets of the charity and for taking reasonable steps to prevent and detect fraud and other irregularities.

**Directors' report** 31 December 1996

**Volunteers**

A formal policy is being developed for the use of volunteers in both Forum offices (London and Cheltenham), offering volunteers reasonable expenses, agreed training opportunities and assistance with finding paid employment in return for their services.

**Auditors**

The auditors, Buzzacott, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

Signed on behalf of the board:

A handwritten signature in black ink, appearing to be 'B. L. L.', written over a horizontal line.

Secretary

Approved by the board on: *MARCH 27/97.*

**Auditors' report to the members of Forum for the Future**

We have audited the accounts on pages 7 to 17 which have been prepared under the historical cost convention and the accounting policies set out on pages 9 and 10.

**Respective responsibilities of directors and auditors**

As described on page 4, the directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

**Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

**Opinion**

In our opinion the accounts give a true and fair view of the state of the charity's affairs as at 31 December 1996 and of its incoming resources and resources expended, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.



Buzzacott  
Chartered Accountants and Registered Auditors  
12 New Fetter Lane  
London  
EC4A 1AP

27 March 1997



# Statement of financial activities Year to 31 December 1996

	Notes	Unrestricted fund £	Restricted funds £	Year ended 31 December 1996 funds £	17 August 1994 to 31 December 1995 funds £
<b>Income and expenditure</b>					
<b>Incoming resources</b>					
Grants receivable	1	—	26,000	26,000	—
Donations and gifts	2	280,973	539,624	820,597	258,809
Less deferred income		—	—	—	(3,447)
Other income		2,813	3,126	5,939	1,839
<b>Total incoming resources</b>		<b>283,786</b>	<b>568,750</b>	<b>852,536</b>	<b>257,201</b>
<b>Resources expended</b>					
Direct charitable expenditure	3	21,497	357,356	378,853	156,793
Fundraising and publicity	4	36,478	19,682	56,160	26,436
Support and administration	5	38,171	34,612	72,783	65,348
<b>Total resources expended</b>		<b>96,146</b>	<b>411,650</b>	<b>507,796</b>	<b>248,577</b>
<b>Net incoming resources</b>		<b>187,640</b>	<b>157,100</b>	<b>344,740</b>	<b>8,624</b>
<b>Transfers between funds</b>		<b>(7,439)</b>	<b>7,439</b>	<b>—</b>	<b>—</b>
<b>Net incoming resources</b>		<b>180,201</b>	<b>164,539</b>	<b>344,740</b>	<b>8,624</b>
<b>Net movement in funds</b>					
<b>Balances brought forward at 1 January 1996</b>		<b>5,982</b>	<b>2,642</b>	<b>8,624</b>	<b>—</b>
<b>Balances carried forward at 31 December 1996</b>		<b>186,183</b>	<b>167,181</b>	<b>353,364</b>	<b>8,624</b>


None of the activities were acquired or permanently discontinued during the above two financial periods.

There were no recognised gains and losses other than those shown above and therefore no separate statement of total recognised gains and losses has been presented.

# **Balance sheet** 31 December 1996

	Notes	1996 £	1996 £	17 August 1994 to 31 December 1995 £	17 August 1994 to 31 December 1995 £
<b>Fixed assets</b>					
Tangible assets	9		23,873		4,749
<b>Current assets</b>					
Debtors	10	99,458		43,098	
Cash at bank and in hand		306,716		8,462	
		406,174		51,560	
<b>Creditors:</b> amounts falling due within one year	11	(76,683)		(47,685)	
<b>Net current assets</b>			329,491		3,875
<b>Total net assets</b>			353,364		8,624
<b>Represented by:</b>					
<b>Funds and reserves</b>					
Restricted funds	12		167,181		2,642
Unrestricted funds			186,183		5,982
			353,364		8,624

Approved by the board  
and signed on its behalf by:

  
Director

Approved on: 27/3/97

## **Principal accounting policies** 31 December 1996

### **Basis of accounting**

The accounts have been prepared under the historical cost convention and in accordance with applicable Accounting Standards and the Statement of Recommended Practice on Accounting by Charities issued by the Charity Commission in October 1995.

### **Comparative figures**

The results for the year are presented for the first time in the form of a statement of financial activities, in order to comply with the revised Statement of Recommended Practice for charities, as issued by the Charity Commission in October 1995. Comparative figures have been amended accordingly.

### **Income**

With the exception of voluntary income arising from donations and gifts, all income is credited to the statement of financial activities on an accruals receivable basis.

Donations and gifts are credited to the statement of financial activities in the year in which they are received. Gifts are included at retail cost or valued by the donors or the directors on the basis of their worth to the charity.

### **Expenditure**

Direct charitable expenditure comprises direct expenses incurred on the defined charitable purposes of the charity and includes direct staff costs attributable to the activity and an allocation of the general management and overhead costs.

Fundraising and publicity costs comprise expenditure incurred by the charity in inducing others to make contributions to it and in enhancing its public image.

Management and administration costs include expenditure on general administration, management and of compliance with constitutional and statutory requirements.

### **Cash flow**

The accounts do not include a cash flow statement because the charity, as a small reporting entity, is exempt from the requirement to prepare such as statement under Financial Reporting Standard 1 'Cash flow statements'.

## **Principal accounting policies 31 December 1996**

### **Tangible fixed assets**

Depreciation is provided using the straight line method at the following annual rates in order to write off each asset over its estimated useful life:

- ♦ Office furniture and equipment 20% on cost in the year of acquisition
- ♦ Computer hardware 33.33% on cost in the year of acquisition

### **Fund accounting**

The general fund comprises those monies which may be used towards meeting the charitable objectives of the charity at the discretion of the directors.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor imposed conditions.

### **Taxation**

The Forum for the Future is a registered charity and therefore is not liable for income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

## Notes to the accounts 31 December 1996

### 1 Grant receivable

	General fund £	Restricted funds £	Year ended 31 December 1996 £	17 August 1994 to 31 December 1995 £
<b>Government grant</b>				
Department of the Environment	—	26,000	<b>26,000</b>	—

The purpose of this grant is to support the Scholarships Foundation Programme (1996-97), review materials and curriculum, and assist in the recruitment of scholars for the 1997/98 Foundation Programme.

### 2 Donations and gifts

	General fund £	Restricted funds £	Year ended 31 December 1996 £	17 August 1994 to 31 December 1995 £
Donations received	269,133	526,886	<b>796,019</b>	258,809
Gifts in kind received	11,840	12,738	<b>24,578</b>	—
	<b>280,973</b>	<b>539,624</b>	<b>820,597</b>	<b>258,809</b>

### 3 Direct charitable expenditure

	General fund £	Restricted funds £	Year ended 31 December 1996 £	17 August 1994 to 31 December 1995 £
Staff costs	—	27,892	<b>27,892</b>	—
Postage, telephone, printing and stationery	—	24,665	<b>24,665</b>	9,259
Travel and subsistence	2,374	15,429	<b>17,803</b>	5,883
Meetings, conferences	—	16,158	<b>16,158</b>	2,156
Publishing costs	—	37,993	<b>37,993</b>	—
Training and consultancy	70	143,214	<b>143,284</b>	84,256
Information and publicity	16,823	6,611	<b>23,434</b>	49,331
Students' maintenance grants and expenses	—	56,690	<b>56,690</b>	—
Office, administration and miscellaneous	2,230	28,704	<b>30,934</b>	5,900
	<b>21,497</b>	<b>357,356</b>	<b>378,853</b>	<b>156,785</b>

## Notes to the accounts 31 December 1996

### 4 Fundraising and publicity

	General fund £	Restricted funds £	Year ended 31 December 1996 £	17 August 1994 to 31 December 1995 £
Staff costs	24,576	—	<b>24,576</b>	14,733
Consultancy	11,902	19,682	<b>31,584</b>	6,875
Miscellaneous	—	—	—	4,828
	<b>36,478</b>	<b>19,682</b>	<b>56,160</b>	<b>26,436</b>

All expenses relate to fundraising.

### 5 Management and administration of the charity

	General fund £	Restricted funds £	Year ended 31 December 1996 £	17 August 1994 to 31 December 1995 £
Staff costs	—	12,216	<b>12,216</b>	16,328
Office administration and miscellaneous costs	38,171	22,396	<b>60,567</b>	49,027
	<b>38,171</b>	<b>34,612</b>	<b>72,783</b>	<b>65,356</b>

### 6 Net incoming resources before transfers

This is stated after charging (crediting):

	General fund £	Restricted funds £	Year ended 31 December 1996 £	17 August 1994 to 31 December 1995 £
Staff costs (note 7)	24,576	40,108	<b>64,684</b>	31,061
Auditor's remuneration	1,600	—	<b>1,600</b>	1,500
Depreciation	1,596	3,784	<b>5,380</b>	2,276

## Notes to the accounts 31 December 1996

### 7 Staff costs and directors' remuneration

	Year ended 31 December 1996 £	17 August 1994 to 31 December 1995 £
Staff costs during the year were as follows:		
Wages and salaries	58,716	28,187
Social security costs	5,968	2,874
	<b>64,684</b>	<b>31,061</b>
Staff costs per function were as follows:		
Direct charitable purpose of the charity	27,892	—
Fundraising and publicity	24,576	14,733
Management and administration of the charity	12,216	16,328
	<b>64,684</b>	<b>31,061</b>

No employee earned £40,000 per annum or more during the year.

The average number of employees, analysed by function was:

	Year ended 31 December 1996 £	17 August 1994 to 31 December 1995 £
Direct charitable purpose of the charity	1	—
Fundraising and publicity	1	1
Management and administration of the charity	2	1
	<b>4</b>	<b>2</b>

One director received consultancy fees during the period amounting to £15,500 (1995 - £14,336). Of this amount, £500 (1995 - £14,336) related to and was funded by a specific project of the United Nations. An amount of £6,626 (1995 - £4,145) was reimbursed to the directors for actual expenses and travel costs incurred.

### 8 Taxation

Forum for the Future is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

## Notes to the accounts 31 December 1996

### 9 Tangible fixed assets

	Furniture and equipment £	Computer equipment £	Total £
<b>Cost</b>			
At 1 January 1996	494	6,531	7,025
Additions	7,806	16,698	24,504
At 31 December 1996	<b>8,300</b>	<b>23,229</b>	<b>31,529</b>
<b>Depreciation</b>			
At 1 January 1996	99	2,177	2,276
Charge for year	574	4,806	5,380
At 31 December 1996	<b>673</b>	<b>6,983</b>	<b>7,656</b>
<b>Net book values</b>			
At 31 December 1996	<b>7,627</b>	<b>16,246</b>	<b>23,873</b>
At 31 December 1995	395	4,354	4,749

The net book value at 31 December 1996 represents tangible fixed assets used for:

	Furniture and equipment £	Computer equipment £	Total £
Direct charitable expenditure	4,540	7,336	<b>11,876</b>
Fundraising and publicity	—	—	—
Management and administration of the charity	3,087	8,910	<b>11,997</b>
	<b>7,627</b>	<b>16,246</b>	<b>23,873</b>

### 10 Debtors

	Year ended 31 December 1996 £	17 August 1994 to 31 December 1995 £
Restricted grants receivable	<b>96,264</b>	41,368
Other debtors	<b>2,814</b>	430
Prepayments	<b>380</b>	325
Rent deposit	—	975
	<b>99,458</b>	43,098



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

	<b>Year ended 31 December 1996 £</b>	<b>17 August 1994 to 31 December 1995 £</b>
Expense creditors	<b>47,476</b>	39,050
Social security and other taxes (PAYE and VAT)	<b>10,661</b>	1,198
Deferred income	—	3,447
Accruals and other creditors	<b>18,546</b>	3,990
	<b>76,683</b>	47,685

**12 Restricted funds**

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust to be applied for specific purposes:

<b>Fund</b>	<b>At 1 January 1996 £</b>	<b>Incoming resources £</b>	<b>Expenditure and transfers £</b>	<b>At 31 December 1996 £</b>
Scholarship fund	—	158,668	137,424	<b>21,244</b>
Green Futures Consultancy	—	85,619	60,189	<b>25,430</b>
Green Futures Publication	—	104,866	84,562	<b>20,304</b>
Best Practice Database	—	5,000	4,968	<b>32</b>
Sustainable Economics	2,642	108,633	40,596	<b>70,679</b>
Cheltenham Observatory	—	37,000	7,508	<b>29,492</b>
The Natural Step	—	527	527	—
Delhi Conference	—	31,792	31,792	—
UN PPTF	—	36,645	36,645	—
<b>Total</b>	<b>2,642</b>	<b>568,750</b>	<b>404,211</b>	<b>167,181</b>

The specific purposes for which the funds are to be applied are as follows:

**Scholarship Fund**

Resources here are currently devoted to the Forum's one-year Foundation Scholarship Programme, involving 11 scholars in 1996/97, with £21,244 still due for grant, expenses and administration.

**Green Futures Consultancy**

Resources are received by the Forum from its Founding Corporate Partners for research and consultancy, with £25,430 still to be expended in 1997.

## Notes to the accounts 31 December 1996

### 12 Restricted funds (continued)

#### Green Futures Publications

Resources are committed to Green Futures both by our Founding Corporate Partners and our Green Futures Partners, with £20,304 deferred for use on issues 3 and 4 in 1997.

#### Sustainable Economy Unit

Funding for the Unit comes from a variety of trusts and individuals, to support the work of two Research Fellows at Keele University, with several projects still to be completed in 1997.

#### Cheltenham Observatory

All funds for this project support the work of a Research Fellow in Cheltenham, with the bulk of the resources received falling due in 1997.

#### The Natural Step

This will be run as an independent project within Forum for the Future, with all incoming resources accounted for independently.

#### The Delhi Conference

This was a one-off project running a high profile conference in Delhi in partnership with The Prince of Wales Business Leaders' Forum to demonstrate best practice examples of corporate responsibility.

#### Passport to the Future

A one-off United Nations project encouraging young people to get involved in the work of the United Nations as part of its 50th Anniversary.

### 13 Analysis of net assets between funds

	General fund £	Restricted funds £	Year ended 31 December 1996 £
<b>Fund balances at 31 December 1996 are represented by:</b>			
Tangible fixed assets	11,997	11,876	<b>23,873</b>
Current assets	181,538	224,636	<b>406,174</b>
Creditors: amounts falling due within one year	(7,352)	(69,331)	<b>(76,683)</b>
<b>Total net assets</b>	<b>186,183</b>	<b>167,181</b>	<b>353,364</b>

**Notes to the accounts** 31 December 1996

**14 Liability of members**

The charity is constituted as a company limited by guarantee. In the event of the charity being wound up members are required to contribute an amount not exceeding £1 per member.

**15 Pension commitments**

No company pension scheme existed at 31 December 1996. No contributions were paid on behalf of employees during the year.