

## **Shared Interest Foundation**

(a charitable company limited by guarantee)

Annual Report  
for the year ended 30 September 2005

Registered Company Number 4833073  
Registered Charity Number: 1102375





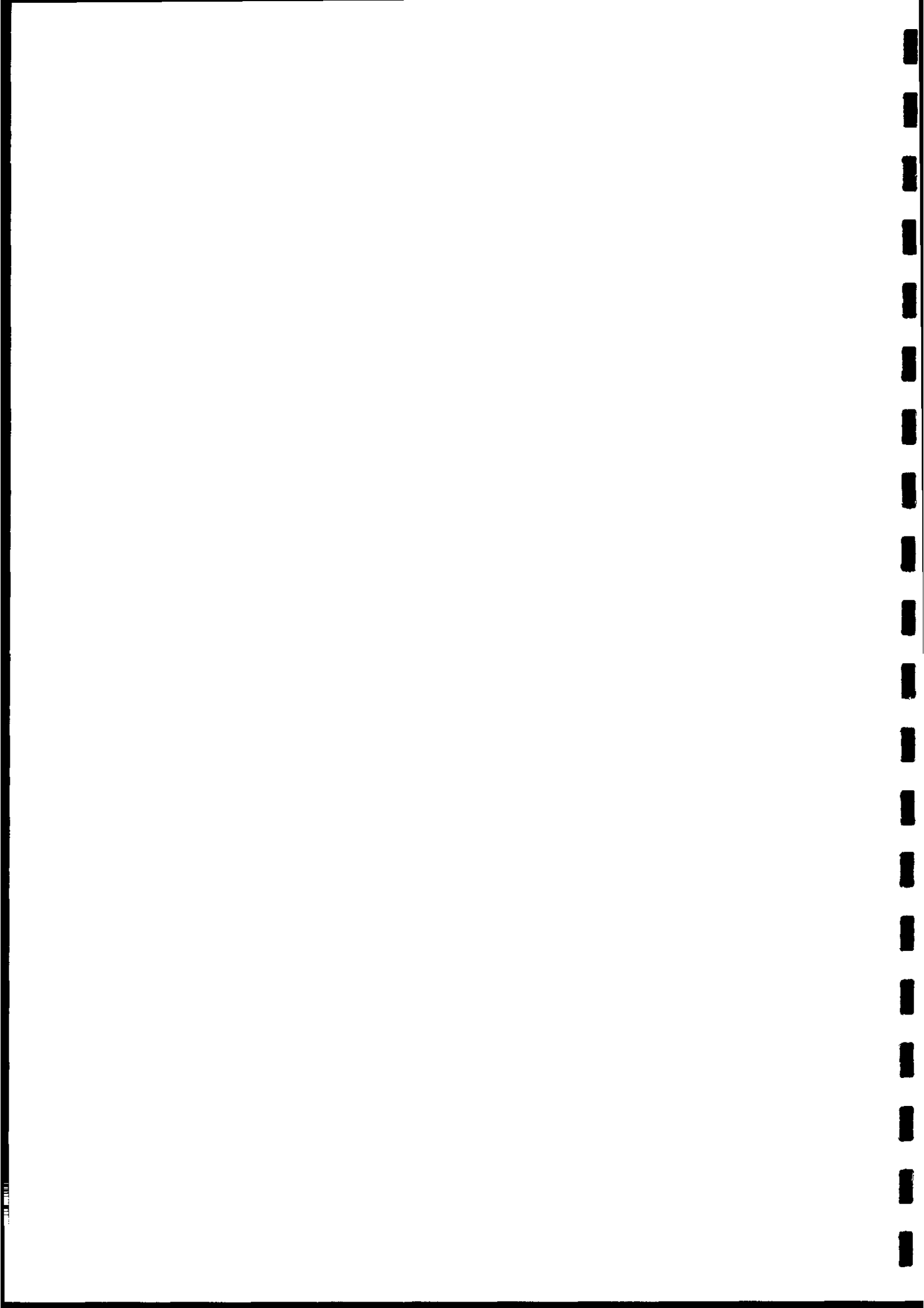
## Shared Interest Foundation

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## Shared Interest Foundation

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### Legal and administrative information

#### Status

The organisation is a charitable company limited by guarantee, incorporated on 15th July 2003 and registered as a charity on 27th February 2004.

The company was established under a Memorandum of Association which established the objectives and powers of the charitable company and is governed under its Articles of Association.

#### Directors and Advisers for the year ended 30 September 2005

##### Directors

	Appointed	Resigned
PDP Angier (Chair)	13th March 2004	
GM Dandy	24th May 2004	
PCBE Freeman	24th May 2004	
RJ Hartill	24th May 2004	12th March 2005
DA Main	24th May 2004	
LA Rowe	15th July 2003	11th November 2004
JC Simmonds	24th May 2004	
SJ Sturrock	15th July 2003	17th November 2005
ME Walton	24th May 2004	

##### Independent auditors

Baker Tilly  
1 St James' Gate  
Newcastle upon Tyne  
NE1 4AD

##### Bankers

The Co-operative Bank  
Skelmersdale  
Lancashire

##### Registered office

25 Collingwood Street  
Newcastle upon Tyne  
NE1 1JE

## **Directors' report for the year ended 30 September 2005**

The directors present their report and accounts for the year ended 30 September 2005.

### **Governing document and organisation**

The company is governed by its memorandum and articles of association. It is also a registered charity. The day to day running of the company is overseen by the board of directors.

### **Principal activity and objectives**

The objectives of the Foundation are to:

- advance education and training; and
- to relieve poverty, sickness and distress in all parts of the world in all respects for the benefit of the public in accordance with the law of charity in England and Wales.

### **Appointment of directors**

The directors of the company are also trustees of the charity as defined in the Charities Act. They are appointed to the board by invitation following nomination by existing directors.

### **Directors**

The directors, who are also trustees, who served during the period are listed on page 1.

### **Review of the year and future developments**

The mission of the Shared Interest Foundation is to support disadvantaged producers. Within this mission a range of activities are anticipated. All are ultimately focused on the end goal of supporting and developing fair trade producer organisations. In working to this goal support for the fair trade movement as a whole has been identified as a key area of work.

A number of specific projects have been started in this financial year.

- Fairtrade Foundation membership and project support
- Commodities lending
- Africa regional presence
- Central America regional presence

The trustees have adopted the revised Statement of Recommended Practice "Accounting and Reporting to Charities" issued in 2000 in the preparation of these accounts.

## **Directors' report for the year ended 30 September 2005**

### **Risk assessment**

The directors have not reviewed the major risks to which the company may be exposed. This review will be completed during the financial year to 30 September 2006.

### **Reserves**

The trustees have made no decision on the establishment of a reserves policy.

### **Statement of directors' responsibilities**

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the period ended 30 September 2005 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

### **Auditors**

A resolution to reappoint Baker Tilly as auditors to the company will be proposed at the annual general meeting.

**By order of the Board**



PDP Angier

**Chair**

12th January 2006

## **Independent auditors' report to the members of Shared Interest Foundation**

We have audited the financial statements which comprise the statement of financial activities, the balance sheet and the related notes.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the 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 directors and auditors**

The directors also act as trustees for the charitable activities of the Shared Interest Foundation. Their responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. The other information comprises only the directors' report.

### **Basis of audit 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 financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company'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 financial statements 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 financial statements.

### **Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the charitable company's affairs at 30 September 2005 and of its net incoming resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**Baker Tilly**

Chartered Accountants and Registered Auditors  
Newcastle upon Tyne  
13th January 2006





## Statement of financial activities for the year ended 30 September 2005

	Unrestricted funds	Total 2005	Total 2004
<b>Income and expenditure</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Incoming resources:</b>			
Grants and donations	115,714	<b>115,714</b>	<b>10,641</b>
Gift Aid	7,136	<b>7,136</b>	-
<b>Total incoming resources</b>	<b>122,850</b>	<b>122,850</b>	<b>10,641</b>
<b>Resources expended</b>			
Audit fee	504	<b>504</b>	<b>500</b>
Staff	6,808	<b>6,808</b>	-
Fairtrade foundation	600	<b>600</b>	-
Africa	23,307	<b>23,307</b>	-
Central America	9,534	<b>9,534</b>	-
Commodities	23,487	<b>23,487</b>	-
Training & Development	1,130	<b>1,130</b>	-
Producer Training	1,398	<b>1,398</b>	-
Grants paid	3,000	<b>3,000</b>	-
Accommodation	2,000	<b>2,000</b>	-
Sundry	142	<b>142</b>	-
<b>Total resources expended</b>	<b>71,910</b>	<b>71,910</b>	<b>500</b>
Fund balance	50,940	<b>50,940</b>	<b>10,141</b>
Fund balances brought forward	10,141	<b>10,141</b>	-
Restricted Funds	-	-	-
Unrestricted Funds	61,081	<b>61,081</b>	<b>10,141</b>
<b>Fund balances carried forward</b>	<b>61,081</b>	<b>61,081</b>	<b>10,141</b>

The charity had no recognised gains or losses other than those noted above.

All operations are continuing.

There is no difference between the reported result for the year stated above and its historical cost equivalents.

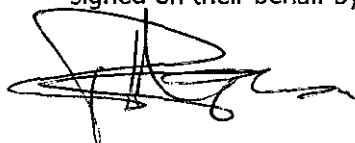


## Balance sheet as at 30 September 2005

	Notes	Unrestricted funds £	2005 £	2004 £
<b>Current assets</b>				
Debtors		7,224	7,224	641
Cash at bank and in hand		98,012	98,012	10,000
		<u>105,236</u>	<u>105,236</u>	<u>10,641</u>
<b>Creditors: amounts falling due within one year</b>		44,155	44,155	500
<b>Net current assets</b>		<u>61,081</u>	<u>61,081</u>	<u>10,141</u>
<b>Net assets</b>		<u>61,081</u>	<u>61,081</u>	<u>10,141</u>
<b>Funds</b>				
Unrestricted funds	1 (d)	61,081	61,081	10,141
<b>Total funds</b>		<u>61,081</u>	<u>61,081</u>	<u>10,141</u>

These accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

The financial statements were approved by the board of Trustees on 12th January 2006 and were signed on their behalf by:



PDP Angier  
Chair



## Notes to the financial statements for the year ended 30 September 2005

### 1. Accounting policies

#### (a) Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards in the United Kingdom, the Charities Act 1993, Companies Act 1985 and the Statement of Recommended Practice "Accounting and Reporting by Charities" 2000.

The company has availed itself of Paragraph 3(3) of Schedule 4 of the companies Act 1985 and adopted the Companies Act format to reflect the specific nature of the charity's activities.

#### (b) Income and expenditure

Donations are accounted for on a receivable basis.

Expenditure is recognised in the period in which it is incurred. Expenditure includes attributable VAT which cannot be recovered.

#### (c) Cash flow statement

The company has taken advantage of the exemption in Financial Reporting Standard Number One ("FRS 1") from the requirement to prepare a cash flow statement on the grounds that it is a small company.

#### (d) Unrestricted funds

*Unrestricted funds are donations and other incoming resources receivable without further specified purpose and are available as general funds.*

### 2. Taxation

The company is a registered charity which is exempt from UK income tax, corporation tax and capital gains tax as long as the income it receives is applied for charitable purposes.

### 3. Employees

Number of employees	2005	2004
Full time	1	-
Part time	2	-
	<u>3</u>	<u>-</u>
<b>Staff costs</b>	<b>2005</b>	<b>2004</b>
	£	£
Salary	28,034	-
Social security	2,543	-
Pension costs	1,548	-
	<u>32,125</u>	<u>-</u>



## Notes to the financial statements for the year ended 30 September 2005

<b>4. Debtors</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Other debtors	<b>7,224</b>	641
	<u><b>7,224</b></u>	<u>641</u>
<b>5. Creditors: falling due within one year</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
Amounts due to parent company	<b>43,739</b>	-
Accruals	<b>416</b>	500
	<u><b>44,155</b></u>	<u>500</u>

### 6. Directors expenses

No expenses have been paid to directors during the period.

### 7. Ultimate parent company

The ultimate parent company of Shared Interest Foundation is the Shared Interest Society Limited, by virtue of the Shared Interest Society Limited being the only member of the Shared Interest Foundation.

### 8. Related party transactions

During the period, the Shared Interest Foundation received a donation of £84,713 from the Shared Interest Society Limited, the company's ultimate parent company.



