

UNITED KINGDOM SHAREHOLDERS' ASSOCIATION LTD

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR TO 31 DECEMBER 2012

UNITED KINGDOM SHAREHOLDERS' ASSOCIATION LTD

FINANCIAL STATEMENTS

FOR THE YEAR TO 31 DECEMBER 2012

CONTENTS	PAGE
Chairman's Statement & Report of the Directors	3
Accountants' Report	5
Profit and Loss Account	6
Balance Sheet	7
Notes to the Financial Statements	8

COMPANY INFORMATION

<i>Directors</i>	Chris Hulme (Chairman) Eric Chalker (resigned 28 April 2012) Brian Peart Peter Wilson Harry Braund Gerald Roberts
<i>Company Secretary</i>	Elizabeth Baxter
<i>Registered Office</i>	Chislehurst Business Centre 1 Bromley Lane Chislehurst, Kent BR7 5LH
<i>Registered Number</i>	04541415

COMPANY ACTIVITY

The United Kingdom Shareholders' Association (UKSA) was founded in 1992 and became a company limited by guarantee on 24 April 2004.

UKSA's fundamental purpose, as set out in its Memorandum of Association, is to promote the interests of individual shareholders and investors within the United Kingdom by all possible means. It is a not-for-profit body which relies on its membership subscriptions for finance and on the voluntary efforts of its members, including board members, for the bulk of its activities.

UKSA has activities for members and publishes a regular magazine, The Private Investor, but its campaigning focus is on the needs of individual shareholders and investors more generally. This includes their ability to contribute to the corporate governance of companies, as well as being able to take responsibility for their financial decisions.

UKSA supports the development of shareholder skills and knowledge through programmes of company visits and meetings organised by a number of active regional branches.

UNITED KINGDOM SHAREHOLDERS' ASSOCIATION LTD

CHAIRMAN'S STATEMENT & REPORT OF THE DIRECTORS FOR THE YEAR TO 31 DECEMBER 2012

We have seen in recent years the pressures associated with membership organisations where volunteers provide the bulk of the resource needed to operate. These pressures haven't subsided in 2012 but we have learned to deal with them and take on board changes as they develop and plan ahead for a longer term future than shorter term gain.

UKSA continues to be a hot bed of ideas and projects to enhance the member experience but as a volunteer organisation we rely on and need additional volunteers to fulfil these ideas and projects. It is recognised that those who do give their time freely have more than just UKSA to accommodate in their busy lives and the organisation is very grateful to all those individuals.

Policy

The past year has seen an explosion in demands placed upon UKSA's policy team, including heightened activity in the EU-wide body EuroFinuse which now embraces EuroShareholders. Much of the activity has been driven by government and regulatory initiatives, not all of which have we been able to deal with as we would like. However, it does mean we have become more widely recognised as the voice of private shareholders and our standing has risen.

With Eric Chalker as policy co-ordinator, the team comprises Roy Colbran and Roger Collinge as team leaders, with John Hunter, Martin White and others on an ad hoc basis, including the increasingly political work of Harry Braund and Martin Morton within EuroFinuse. Members are kept informed, through *The Private Investor*, our website, emails and visits.

Finance

Prudence with the finances has continued in this last year in managing a reduced budget brought about by the reduced subscription income. Key cost management and renegotiation of supplier costs has allowed UKSA to better its financial position when compared to 2011.

In closing down some of the now long dormant campaigns, we have seen some funds fall back into member reserves which by default supports the capital position. We have continued to invest in our online presence and further develop the website and its capabilities.

Projects commenced in early 2012 continued with fund raising activities and initiatives to further support the finances of the organisation going forward with a view to member events carrying no additional costs to members in the future. This is of course a work in progress and does however still leave us with a deficit attributable to members of £4,796 (2011 - £6,287).

Administration

The Association's office in Chislehurst, Kent continues to provide the location to facilitate the work of membership secretary, Elizabeth Baxter, who remains as company secretary. This provides a base from which the activities of the regions can be supported and, potentially, membership campaigns launched.

Campaigns

2012 saw the end of all but one of the UKSA company campaigns. 5 Years on, the Northern Rock Action group continues in its quest with the support of institutional investors. Company specific campaign needs have subsided significantly allowing concentration on a wider policy driven campaign front that forms the drive of the UKSA public and media presence going forward.

Membership

Subscriptions declined slightly during the year, from 600 to 528 (713 actual members) although recruitment is beginning to match where members leave. Reductions in member numbers remain in three categories. These were the last of the £38 memberships which have been managed and organised. Such members made up a sizeable number of the losses suffered but indicates that we have a brighter membership future going forward. Sadly events such as death also see member numbers reducing. Resignations make up the last small numbers although recruitment and follow up on resignations shows signs of reversing this trend. Successes at events such as the London Investor Show are demonstrably a key recruitment tool for UKSA going forward.

Directors

Peter Wilson will step down as a Director of UKSA at the AGM. UKSA as a whole and the South West Region especially has benefited enormously from his continued efforts and work over a vast number of years. Despite health gremlins and personal battles in his local area adding to Peter's workload in recent years, he continued his hard work and dedication. As the Chairman for the SW Region, I am sure that Peter will continue to support and shape our membership experience and function.

I, Chris Hulme, will retire by rotation and hope the members welcome me back as Director and Chairman as I stand for re-election at the forthcoming AGM.

Other Information

The principal activity of the company in the year under review was that of the promotion of private shareholders' and investors' interests. The directors who served during the year are as shown in Company Information.

The company is limited by Guarantee and the liability of each member is limited to £1.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 2006 relating to small companies.

DENBY MORRIS LTD
Ravensbourne Business Centre
Keston
Kent
BR2 6HE

**ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS
ON THE UNAUDITED FINANCIAL STATEMENTS OF
UNITED KINGDOM SHAREHOLDERS' ASSOCIATION LTD**

We report on the financial statements for the year ended 31 December 2012 set out on pages 6 to 11.

Respective responsibilities of directors and reporting accountants

As described on the balance sheet the company's directors are responsible for the preparation of the financial statements and they consider that the company is exempt from an audit.

In order to assist you fulfil your statutory responsibilities, you have instructed us in a letter of engagement to compile the annual financial statements based on the accounting records maintained by the company and the information and explanations supplied to us.

Basis of engagement

We have a professional duty to compile financial statements which conform with generally accepted accounting principles. We planned our work on the basis that no report is required by statute or regulation for the year. Our work as the compilers of the annual financial statements is not an audit of the financial statements in accordance with auditing standards. Consequently, our work does not provide assurance that the accounting records or financial statements are free from material misstatement, whether caused by fraud, other irregularity or error and, accordingly, no assurance or opinion is given by us, whether implied or expressed.

Report

We report that, in accordance with your instructions and in order to assist you to fulfil your responsibilities, we have compiled, without carrying out an audit, the financial statements from the accounting records of the company and from information and explanations supplied to us.

Denby Morris Ltd

19 March 2013

UNITED KINGDOM SHAREHOLDERS' ASSOCIATION LTD

PROFIT & LOSS ACCOUNT

FOR THE YEAR TO 31 DECEMBER 2012

	Notes	UKSA Members	
		2012 £	2011 £
Income	2	<u>26,486</u>	<u>31,086</u>
Expenses			
Rent & payroll	3	17,221	17,945
Other admin & communications	4	2,114	4,088
Directors & meetings	5	3,871	3,997
Services	6	6,443	10,058
Other	7	1,633	1,541
Total Expenses		<u>31,282</u>	<u>37,629</u>
(Deficit)/Surplus for the year		(4,796)	(6,543)
Interest income		-	212
Net Deficit/Surplus for the Year, before tax		<u>(4,796)</u>	<u>(6,331)</u>
Tax	9	-	44
Net Deficit/Surplus for the Year, after tax	14	<u>(4,796)</u>	<u>(6,287)</u>

UNITED KINGDOM SHAREHOLDERS' ASSOCIATION LTD

BALANCE SHEET

AT 31 DECEMBER 2012

	Notes	UKSA Members	
		2012 £	2011 £
FIXED ASSETS			
Tangible assets	10	<u>1</u>	<u>227</u>
CURRENT ASSETS			
Debtors & prepayments	11	2,093	283
Cash		72,095	78,457
		<u>74,188</u>	<u>78,740</u>
CREDITORS: amounts falling due within one year	12	<u>(5,677)</u>	<u>(20,787)</u>
NET CURRENT ASSETS		68,511	57,953
NET ASSETS		<u>68,512</u>	<u>58,180</u>
Financed by:			
CAPITAL and RESERVES			
Members' reserves	14	16,227	16,299
Northern Rock campaign reserve	14	52,285	37,157
Other campaign reserves	14	-	4,724
SHAREHOLDERS' FUNDS		<u>68,512</u>	<u>58,180</u>

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

For the financial year ended 31 December 2012 the company was entitled to exemption from audit under section 477 of the Companies Act 2006; and no notice has been deposited under section 476.

The directors acknowledge their responsibilities for:

- (1) ensuring that the company keeps accounting records which comply with section 386 of the Companies Act 2006; and
- (2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.



Chris Hulme
Chairman



Harry Braund
Director

Approved by the board on 19 March 2013

UNITED KINGDOM SHAREHOLDERS' ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR TO 31 DECEMBER 2012

1 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Basis of accounting

The financial statements have been prepared under the historical cost convention.

In previous years the company has run shareholder campaigns both on behalf of its members and also for other action groups and consolidated figures were shown in the accounts for both the company itself together with the income and expenses for all campaign groups. The figures for the accounts in the current year are only for the company itself since the other activities are now minimal.

Tangible fixed assets

Tangible fixed assets, comprising office furniture & computer equipment, are stated at cost less depreciation. Depreciation is calculated at 25% per year straight line.

Income

Income includes members' subscriptions and donations. Subscriptions and donations are accounted for on a cash basis.

	UKSA Members	
	2012	2011
	£	£
2 INCOME		
Subscriptions	26,164	31,038
Sundry income	201	-
InvestorEase & miscellaneous	121	48
	<u>26,486</u>	<u>31,086</u>

3 RENT & PAYROLL

Rent (net)	7,030	7,210
Payroll	10,191	10,735
	<u>17,221</u>	<u>17,945</u>

UNITED KINGDOM SHAREHOLDERS' ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR TO 31 DECEMBER 2012

	UKSA Members	
	2012	2011
	£	£
4 OTHER ADMIN. & COMMUNICATION COSTS		
Postage	200	98
Stationery	219	1,346
Supplies	-	(2)
Telecoms	884	739
Systems work	-	39
Bank charges	300	171
Marketing	-	91
Multiple email facility	-	274
Office insurance	285	-
Depreciation	226	1,332
	<u>2,114</u>	<u>4,088</u>
5 DIRECTORS & MEETINGS EXPENSES		
Meeting expenses	791	678
Directors' insurance	2,031	2,880
AGM (including postage & stationery)	1,049	439
	<u>3,871</u>	<u>3,997</u>
6 SERVICES		
Website	675	1,709
Private Investor - pack/ mailing	635	1,615
Private Investor - printing	1,715	1,185
Private Investor - editorial	1,800	1,400
Regional expenses	1,163	3,669
Euroshareholders subscription	455	480
	<u>6,443</u>	<u>10,058</u>
7 OTHER EXPENSES		
Professional fees - financial statements	1,020	979
Sundry expenses	613	470
Reverse forward loss provision	-	92
	<u>1,633</u>	<u>1,541</u>

UNITED KINGDOM SHAREHOLDERS' ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR TO 31 DECEMBER 2012

	UKSA Members	
	2012	2011
	£	£
8 OPERATING PROFIT		
The operating profit is stated after charging:		
Depreciation of tangible fixed assets	<u>226</u>	<u>1,332</u>
In accordance with the Articles, directors did not receive any emoluments.		
9 TAXATION		
UK Corporation Tax	<u>-</u>	<u>44</u>
No Corporation Tax is due on the results for the year (2011: £44 credit)		
10 TANGIBLE FIXED ASSETS		
	£	
<i>Cost</i>		
At start of year	5,349	
Additions	-	
Disposals	-	
At end of year	<u>5,349</u>	
<i>Depreciation</i>		
At start of year	5,122	
Charge for the year	226	
Disposals	-	
At end of year	<u>5,348</u>	
<i>Net book value</i>		
At start of year	<u>227</u>	
At end of year	<u>1</u>	
11 DEBTORS & PREPAYMENTS		
<i>Due within one year</i>		
Other debtors and prepayments	2,093	283
	<u>2,093</u>	<u>283</u>

UNITED KINGDOM SHAREHOLDERS' ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR TO 31 DECEMBER 2012

	UKSA Members	
	2012	2011
	£	£
12 CREDITORS - Amounts falling due within one year		
Trade creditors	-	24
Other creditors and accruals	4,812	19,898
Lloyds campaign closure reserve	865	865
	<u>5,677</u>	<u>20,787</u>
13 SHARE CAPITAL		
The company is limited by guarantee hence has no share capital. The liability of each member is limited to £1		
14 RESERVES		
<i>Members' Reserves</i>		
Opening balance	16,299	22,586
Surplus/(deficit) for the year	(4,796)	(6,287)
Reserves transferred to members reserves from closed campaigns		
Bradford & Bingley	53	-
Unicorn VCT	117	-
Artemis	602	-
Spark VCT	3,952	-
Closing balance	<u>16,227</u>	<u>16,299</u>
<i>Northern Rock Campaign Reserve</i>		
Opening balance	37,157	47,183
Surplus/(deficit) for the year	128	(10,026)
Write back provision for legal costs	15,000	-
Closing balance	<u>52,285</u>	<u>37,157</u>
<i>Other Campaign Reserves</i>		
Bradford & Bingley	-	53
Unicorn VCT	-	117
Artemis	-	602
Spark VCT	-	3,952
	<u>-</u>	<u>4,724</u>