

Report of the Directors and  
Financial Statements for the Year Ended 31 December 2009  
for  
United Kingdom Shareholders' Association Limited

## United Kingdom Shareholders' Association Limited

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### UK Shareholders' Association

The UK 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 better 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 Limited

Company Information  
for the Year Ended 31 December 2009

**DIRECTORS:**

Martin White	(Chairman)
Eric Chalker	(started 9 <sup>th</sup> May 2009)
Stan Grierson	(Treasurer - ceased 31 <sup>st</sup> March 2010)
Roger Lawson	(ceased 12 <sup>th</sup> Dec 2009)
Derek Miles	
Martin Morton	
Michael O'Neill	(ceased 9 <sup>th</sup> May 2009)
Peter Raynes	
Edgar Ring	(started 9 <sup>th</sup> May 2009 ceased 4 <sup>th</sup> July 2009)
Peter Wilson	(started 9 <sup>th</sup> April 2010)
David Kaye	(started 9 <sup>th</sup> April 2010 ceased 24 <sup>th</sup> May 2010)
Chris Hulme	(started 14 <sup>th</sup> April 2010)
Brian Peart	(started 14 <sup>th</sup> April 2010)
Janet Gee	(started 14 <sup>th</sup> April 2010 ceased 12 <sup>th</sup> May 2010)
John Hunter	(Treasurer – started 12 <sup>th</sup> May 2010)

**SECRETARY** Janet Gee

**REGISTERED OFFICE:** 1 Bromley Lane  
Chislehurst  
Kent  
BR7 6LH

**REGISTERED NUMBER:** 4541415 (England and Wales)

**ACCOUNTANTS:** Amersham Accountancy  
Suite 1 East House  
33 - 41 Chiltern Avenue  
Amersham  
Buckinghamshire  
HP6 5AE

## United Kingdom Shareholders' Association Limited

### Report of the Directors for the Year Ended 31 December 2009

UKSA had a net income of £49,648 in 2009, of which £11 was attributable to UKSA's own activities and the balance related to the various campaigns which run under the UKSA umbrella. UKSA's total reserves at 31/12/09 amounted to £112,337, of which £83,049 is earmarked for campaigns and £29,088 for UKSA. To protect UKSA's reserves and future income, provisions have been made for campaign expenditure known to have occurred since the year end which is not covered by further donations. It has been determined that Torex campaign administration costs incurred in 2008, but not allocated to it, equalled or exceeded the Torex reserve of £3,699, which has been re-assigned to UKSA.

In this document, we can only give a very brief description of our activities during the period. Members will have received a fair picture over the year from our monthly magazine (see below), and some of our work product is available on our website. As well as the matters we report on, there is always activity going on to build relationships with and influence Government and other bodies.

Whilst our financial statements are for the period to 31 December 2009, there have been important developments in 2010, including the EGM held on 25 April, which it would be inappropriate to gloss over. We cover these at the end of this report.

The company's office in Chislehurst was established to support company campaigns, adding Artemis VCT, Bradford and Bingley, Lloyds, Spark VCT and West Bromwich B.S. in 2009, but early in the year we decided to transfer membership secretary responsibilities to it as well. At the end of the year it became necessary to change the arrangements under which the office was operating, with a promotion to office manager and the introduction of new procedures, all of which has been working well. We have three very good employees who are a credit to UKSA.

The most noteworthy event of 2009 was the production of our booklet, *Responsible Investing – for the Individual and for Society*. This set out how we believe private investors should approach their investments, why they are good for society and so should be encouraged. It includes our *Claim for Private Shareholders' Rights*, a 12 point manifesto that has received wide acclaim.

There has been a greater concentration on policy development and promotion than for some time past, with a good deal of this focused on the establishment of private shareholders' committees. Feedback from members suggests that this focus on policy has been reflected in a much more interesting and informative monthly magazine. Previous production difficulties have been overcome, so late deliveries of *The Private Investor* are now a rarity.

#### **Developments in 2010**

Since the year end, we have made two major innovations, both unfortunately delayed by the EGM. One is a new member recruitment form offering a first year subscription of £25 if paid by standing order, for which the take up has been very good indeed. The second is a new type of campaign, involving registration fees payable to UKSA rather than ring fenced donations. Both could be transformational for UKSA, in membership and influence.

We have lost two members of last year's board who deserve special mention. Stan Grierson, who continues to support UKSA in a number of ways, was until recently our Treasurer. The other is Roger Lawson, who in his time did much for UKSA, but shortly after resigning began pursuing objectives which conflicted with those of UKSA. There is no doubt that the EGM for which Roger secured a requisition was a most unsettling experience for UKSA. It wasn't just the explicit attack on three board members, overwhelmingly defeated in the eventual vote, but the manner in which Roger sought to obtain support, including a website to press his case, a succession of messages to members and his use of the media. The EGM cost UKSA in excess of £5,000.

Janet Gee, who at the start of the year volunteered to serve as company secretary until the AGM, gave significant assistance to the board during this time, for which we are particularly grateful.

Volunteers also came forward to join the board at this time and from these several co-options were made. Co-opted board members stand for election at the next AGM, so we now have a number of directors standing for election or re-election. Our regional network and the various campaigns are now better represented on the UKSA board than they have ever been. We would like to thank the very many members whose efforts keep UKSA going, to thank those who have served in the past and to welcome those who have joined us recently.

**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 1985 relating to small companies.

**ON BEHALF OF THE BOARD:**

.....  
Martin White Chairman

Date: 9<sup>th</sup> June 2010.

United Kingdom Shareholders' Association Limited

Independent Examiner's Report to the directors of United Kingdom Shareholders' Association Limited

I hereby report on the accounts of the United Kingdom Shareholders' Association Limited for the year ended 31<sup>st</sup> December 2009.

**Respective responsibilities of directors and examiner**

The directors are responsible for the preparation of the accounts. The directors consider that an audit is not required for this year and that an independent examination is appropriate.

It is my responsibility to examine the records used to prepare the accounts and to state whether particular matters have come to my attention.

**Basis of independent examiner's report**

My examination includes a review of the accounting records kept by the company and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as directors concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the accounts.

**Independent examiner's statement**

In connection with my examination, I have reasonable cause to believe that :-

(1) in all material respects the requirements :

- to keep accounting records in accordance with Section 221 of the Companies Act, and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements with Section 226 of the Companies Act.

have been met; and

(2) there are no material matters, in my opinion, to which attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....  
W. Tulloch FCMA  
Amersham Accountancy Limited  
Suite 1 East House  
33 - 41 Chiltern Avenue  
Amersham  
Buckinghamshire  
HP6 5AE

Date: 9<sup>th</sup> June 2010.

United Kingdom Shareholders' Association Limited

Statement of Financial Activities  
for the Year Ended 31 December 2009

	Notes	31.12.09 £	31.12.08 £
<b>Income</b>		443,064	284,038
Direct Expenses		<u>-</u>	<u>3,064</u>
<b>Net Income</b>		443,064	280,974
Resources Expended		<u>393,958</u>	<u>228,873</u>
<b>Net Incoming Resources</b>	1	49,106	52,101
Interest receivable and similar income		<u>542</u>	<u>1,266</u>
<b>Net Income for the year</b>		49,648	53,367
<b>Reconciliation of Funds</b>			
Balance as at 1 <sup>st</sup> January		62,489	9,122
Balance as at 31 <sup>st</sup> December		<u>112,137</u>	<u>62,489</u>

The notes form part of the financial statements

United Kingdom Shareholders' Association Limited

Balance Sheet  
31 December 2009

	Notes	31.12.09		31.12.08	
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	5		2,894		2,995
<b>CURRENT ASSETS</b>					
Debtors	6	15		8,868	
Cash at bank		<u>200,383</u>		<u>182,270</u>	
		200,398		191,138	
<b>CREDITORS</b>					
Amounts falling due within one year	7	<u>91,155</u>		<u>131,644</u>	
<b>NET CURRENT ASSETS</b>			<u>109,243</u>		<u>59,494</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>112,137</u>		<u>62,489</u>
<b>RESERVES</b>					
Funds	8		<u>112,137</u>		<u>62,489</u>
			<u>112,137</u>		<u>62,489</u>

For the year ending 31<sup>st</sup> December 2009 the company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2008 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for acknowledge their responsibility for complying with the requirements of The Companies Act 2006 with respect to accounting records and the preparation of accounts

These accounts have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors on 9<sup>th</sup> June 2010 and were signed on its behalf by:

.....  
Martin White Chairman

.....  
John Hunter Treasurer

The notes form part of the financial statements



## United Kingdom Shareholders' Association Limited

### Notes to the Financial Statements for the Year Ended 31 December 2009

#### 1. ACCOUNTING POLICIES

##### **Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

##### **Income**

Income includes members' subscriptions and donations. Subscriptions are accounted for on an accruals basis. The 2008 provision has been retained as an estimate for 2009.

##### **Tangible fixed assets**

Depreciation is calculated at 25% straight line annual rate.

##### **Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

#### 2. OPERATING PROFIT/(LOSS)

The operating surplus is stated after charging:

	31.12.09	31.12.08
	£	£
Depreciation - owned assets	<u>1,337</u>	<u>1,028</u>
Directors' emoluments and other benefits	<u>-</u>	<u>-</u>
Forward Reserve Loss	<u>36,346</u>	<u>-</u>

The forward loss reserve equates to costs, net of new donations, incurred by campaigns in the four months to 30 April 2010.

#### 3. CLOSURE RESERVE

The directors are mindful of the need to ensure that, should it be necessary to close the office at some point in the future, the balance of unspent campaign donations will be sufficient to cover costs of closure. At end 2009 these are assessed to have been £40,000 which, allocated pro rata to donations, would be a charge of £15,000 on the Northern Rock Shareholders' Action Group, £13,000 for Bradford & Bingley Shareholders' Action Group, £10,000 for the Lloyds campaign and £2,000 for Artemis VCT. It is the directors' responsibility to ensure that these sums, or others that may be decided from time to time, remain unspent as a management reserve against the contingency of closure, with fresh appeals made if necessary. No reserve has been made in the accounts.

#### 4. TAXATION

##### **Analysis of the tax charge**

No liability to UK corporation tax has been recorded on ordinary activities for the year ended 31 December 2009 nor for the year ended 31 December 2008.

The notes form part of the financial statements

United Kingdom Shareholders' Association Limited

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2009

5. **TANGIBLE FIXED ASSETS**

	£
<b>COST</b>	
At 1 January 2009	2,995
Additions	<u>2,354</u>
At 31 December 2009	<u>5,349</u>
<b>DEPRECIATION</b>	
At 1 January 2009	1,118
Charge for year	<u>1,337</u>
At 31 December 2009	<u>2,455</u>
<b>NET BOOK VALUE</b>	
At 31 December 2009	<u>2,894</u>
At 31 December 2008	<u>2,995</u>

6. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.09 £	31.12.08 £
Trade debtors	-	818
Other debtors	<u>15</u>	<u>8,050</u>
	<u>15</u>	<u>8,868</u>

7. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.09 £	31.12.08 £
Trade creditors	34,750	115,506
Other creditors	4,211	290
Forward loss reserve	36,346	-
Subscriptions	<u>15,848</u>	<u>15,848</u>
	<u>91,155</u>	<u>131,644</u>

Trade creditors include a debit balance of £9,073 representing duplicate payments to a supplier made in error.

	31.12.09 £	31.12.08 £
Northern Rock	45,251	32,631
Bradford & Bingley	(944)	780
Lloyds	26,418	-
Artemis	4,400	-
Spark VCT	<u>7,924</u>	<u>-</u>
Total campaign reserves	83,049	33,411
Members' reserves	<u>29,088</u>	<u>29,078</u>
Total reserves at 31 <sup>st</sup> December 2009	<u>112,137</u>	<u>62,489</u>

United Kingdom Shareholders' Association Limited

Trading and Profit and Loss Account  
for the Year Ended 31 December 2009

	31.12.09		31.12.08	
	£	£	£	£
<b>Income</b>				
Members' subscriptions	44,587		37,984	
Campaign Donations				
Northern Rock	145,954		240,958	
Bradford & Bingley	125,967		3,019	
Lloyds	94,643		-	
Artemis VCT	12,964		-	
Spark VCT	12,673		-	
West Bromwich B. Soc	6,000		-	
Miscellaneous Income	275		2,077	
Interest Received	543		1,266	
<b>Total Income</b>		443,606		285,304
<b>Expenditure</b>				
Salaries & NI	44,509		3,326	
Office Rent	8,780		4,784	
Other Admin Expenses	33,028		25,609	
AGM	1,940		451	
Directors Insurance	963		1,050	
Travel	1,260		-	
Board Meeting Room Hire	1,076		348	
Meeting Expenses	2,886		2,154	
Insurance	742		273	
Website	570		186	
Depreciation	1,337		1,028	
Campaign Mailings	149,312		65,052	
Marketing	1,091		399	
Private Investor	14,492		5,013	
Directors Travel Expenses	462		433	
Legal Fees	75,965		112,646	
Other Professional Fees	12,363		5,550	
Investor Ease	152		430	
Regional Expenses	1,177		1,532	
Bank Charges	1,593		1,411	
Sundry Expenses	3,444		262	
Euroshareholders	470		-	
Forward Loss Reserve	36,346		-	
		<u>393,958</u>		<u>231,937</u>
<b>Net Income for the year</b>		<u>49,648</u>		<u>53,367</u>

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United Kingdom Shareholders' Association Limited Trading and Profit and Loss Account for the Year Ended 31 December 2009

	<u>UKSA</u>	<u>Northern Rock</u>	<u>Bradford &amp; Bingley</u>	<u>Lloyds</u>	<u>Artemis VCT</u>	<u>Spark VCT</u>	<u>West Bromwich</u>	<u>TOTAL</u>
<b>Income</b>								
Interest Received	543							543
Investor Ease Sales	264							264
Membership Subscriptions	44,587							44,587
Misc Income	11	145,954	125,967	94,643	12,964	12,673	6,000	398,212
<b>Total Income</b>	<b>45,405</b>	<b>145,954</b>	<b>125,967</b>	<b>94,643</b>	<b>12,964</b>	<b>12,673</b>	<b>6,000</b>	<b>443,606</b>
<b>Expense</b>								
Salaries & NI	6,586	8,586	23,047	5,078	1,212			44,509
Office Rent	1,378	2,226	3,032	1,886	258			8,780
<b>Other Admin Expenses</b>								
Telecoms	714	319	515	358	63			1,969
IT	717	1,250	1,246	1,022				4,236
Postage	1,667	1,990	5,248	2,756	444	311		12,416
Printing	516		878	1,200				2,593
Stationery	569	1,642	2,465	1,302	117			6,095
Supplies	97	29	968					1,095
Other	1,410	170	1,429	1,615				4,624
<b>Total Other Admin Expenses</b>	<b>5,691</b>	<b>5,401</b>	<b>12,749</b>	<b>8,252</b>	<b>624</b>	<b>311</b>	<b>-</b>	<b>33,028</b>
AGM	1,941							1,940
Directors' Insurance	963							963
Travel	648		613					1,260
Board Meeting Room Hire	903	86	86					1,076
Meeting Expenses	1,351	634	870	30				2,886
Insurance	27	238	238	238				742
Website	126	60	36	210		138		570
Depreciation	1,337							1,337
Campaign Mailings	1,756	34,278	56,475	47,681	6,406	2,715		149,312
Marketing	1,091							1,091
Private Investor	14,492							14,492
Directors' Travel Expenses	437	5		20				462
Legal Fees		69,963		2			6,000	75,965
Other Professional Fees	855	5,738	2,886	2,822	63			12,363
Investor Ease	152							152
Regional Expenses	1,177							1,177
Bank Charges	577	821	149	44		1		1,593
Sundry Expenses	3,436	8						3,444
Euroshareholders	470							470
Forward Loss Reserve		5,290	27,510	1,962		1,584		36,346
<b>Total Expense</b>	<b>45,394</b>	<b>133,334</b>	<b>127,692</b>	<b>68,226</b>	<b>8,564</b>	<b>4,749</b>	<b>6,000</b>	<b>393,958</b>
<b>Net Income for the year</b>	<b>11</b>	<b>12,620</b>	<b>(1,725)</b>	<b>26,418</b>	<b>4,400</b>	<b>7,924</b>	<b>-</b>	<b>49,648</b>
Surplus / (Spend) prior year	29,077	32,631	781					62,489
Surplus / (Spend) carried fwd	29,088	45,251	(944)	26,418	4,400	7,924	-	112,137

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