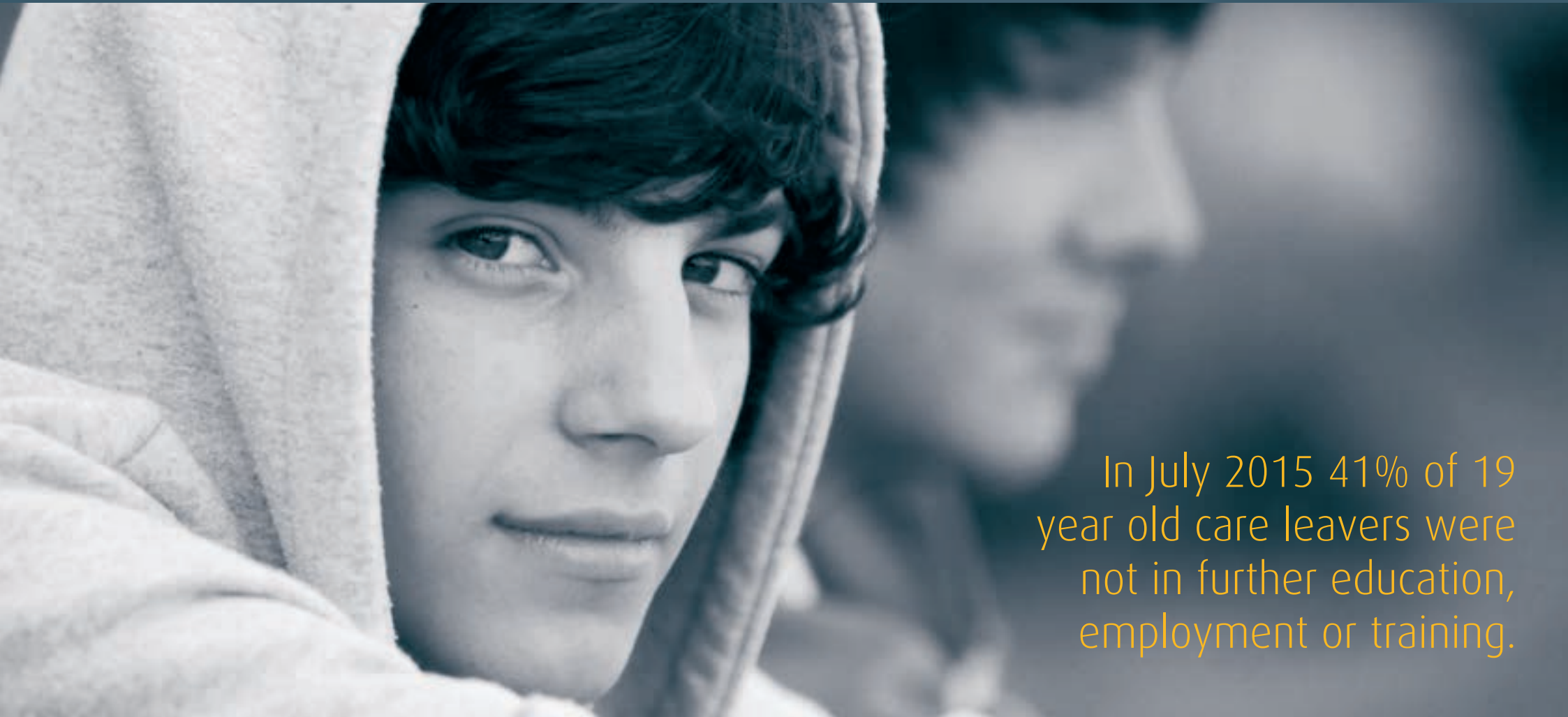


# REPORT AND FINANCIAL STATEMENTS

31 MARCH 2016



In July 2015 41% of 19 year old care leavers were not in further education, employment or training.





# Annual Review 2016

## What is The Share Foundation?

The Share Foundation was formed in 2005 for the benefit of young people from disadvantaged backgrounds, with a particular focus on those in care, to help them to start adult life with improved life skills and some resources.

After seven years supporting the Child Trust Funds of children in care, we were appointed in 2012 to run the Junior ISA scheme for children and young people in care on behalf of the Department for Education. All those in care for at least one year, anywhere in the United Kingdom, and without a Child Trust Fund (issued for children born between 1 September 2002 and 2 January 2011) are eligible. The scheme therefore enables those born between 1994 and 2002 or after 2010 to have a Junior ISA: hence the majority of our beneficiaries are well into their teens.

## Our priorities and how are we addressing them

Our current priorities include 15-17 year olds in care. Our Stepladder of Achievement programme for them described on page 10 of this review, links the building of life skills directly to increased contributions to their Junior ISAs. As we go to press the Stepladder of Achievement system build is complete, and we are starting to roll it out across the United Kingdom. It has been a very substantial development project, linking The Share Foundation with two online assessment centres and building in features which will enable us to respond to very large numbers of young people who wish to benefit from it. We are very grateful to The Linbury Trust, which has made a significant contribution to its development costs. Another priority is transferring the administration of the Child Trust Funds, which is included in the current contract tender.

When Child Trust Funds were provided for Looked After children, it was only those with no-one in a position of parental responsibility which were administered by the Official Solicitor. These accounts, issued for children born between 2002 and 2011, now number around 13,000 and are valued at about £1,000 each.

Transferring these accounts would reduce Government expenditure on administration and give these young people access to the Stepladder of Achievement and additional funding going forwards.

Where there was somebody in a position of parental responsibility the accounts were linked to that person for oversight. The number in this situation is substantially larger and if the administration of the Official Solicitor Child Trust Funds is transferred, The Share Foundation will work with local authorities to support these.

### Objects and Activities

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 operates the Junior ISA scheme for Looked After children and young people on behalf of the Department for Education. These activities are directly in line with its charitable objectives, since they aim to empower young people in care to have the life skills and resources to enjoy fulfilling adult lives. Junior ISA scheme operations include co-ordination and administration, fundraising and financial education, and these are integrated by

The Share Foundation for the maximum benefit of children and young people in care throughout the United Kingdom.

### How are these plans to be funded?

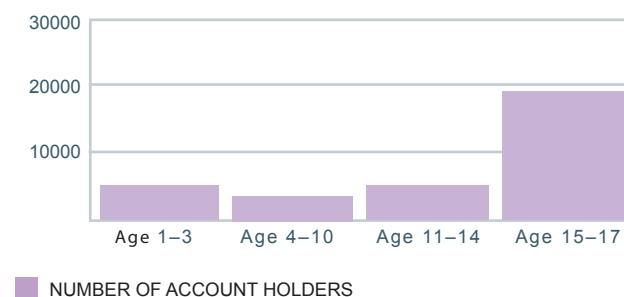
Funding the first stages of the rollout of the Stepladder of Achievement has been a priority. Incentivised learning is a comparatively unusual concept in the United Kingdom and we are conscious that many organisations wish to see evidence of results before committing themselves. So we are particularly grateful to those who have enabled us to support the first group of local authorities taking part.

We have also rebranded and rebuilt The Share Foundation's website ready for launch of the Stepladder of Achievement programme and we will be working with The Children's Society and others to help with the preparation and training of mentors. Meanwhile Janet Duncan, formerly with The Prince's Trust, has joined us as Programme Co-ordinator for the Stepladder of Achievement, liaising with local authorities and preparing information for the rollout.

So it's been a busy year at The Share Foundation, and I am very grateful to the staff and my fellow trustees for the progress we have made during 2016.

Meanwhile our contract to operate the Junior ISA scheme has been extended in order to enable the scheduled retendering process to take place in autumn 2016. Naturally we hope that the arrangements going forward will include the transfer of Child Trust Funds currently with the Official Solicitor, not least because by September 2017 the oldest children with Child Trust Funds will be 15 years old. This will enable them also to benefit from the incentivised learning of our Stepladder of Achievement programme.

**Figure 1** Ages of young people with Junior ISAs under the Government scheme



### The Junior ISA scheme in more detail

Figure 1 illustrates the ages of young people with Junior ISAs under the Government scheme, as also referred to in last year's report. It shows the age range and numbers of young people with accounts, now split between the very young and those in their teens. We therefore look forward to transferring Child Trust Fund administration from the Official Solicitor in 2017.





All local authorities have now registered for the Junior ISA scheme and data submission is generally well up-to-date. During 2015/2016 we conducted 14 visits to local authorities, and liaison has been progressing well with virtual school heads in advance of the introduction of the Stepladder of Achievement.

We particularly encourage local authorities to make active use of the scheme and those that do so feature strongly among those with the highest account values as at 31st March 2016, shown in figure 2.

We also continue to encourage more local authorities to make contributions to the Junior ISAs held for young people in their care and we assist them with information on how this can be arranged.

Aggregate contributions of £3,290,999 were made during the past year, with central Government comprising £2,664,800 of this

amount. The total Government contribution has reduced from £3.1m in 2014/15, and this reflects the fact that most eligible young people are now included in the scheme. Unlike the Child Trust Funds, which received a series of Government contributions as children aged, Junior ISAs for children in care receive a single payment of £200 in order to open the account. This payment is vital to opening an account for every eligible child and young person, but together with very low operating costs as paid for by the Department for Education (£236,280 in 2015/2016) it also keeps the overall cost of the scheme low for the taxpayer.



**Figure 2** Top-ranking local authorities in terms of average account value (unaudited)

LOCAL AUTHORITY	JUNIOR ISAs	AVERAGE VALUE	RANKING
Warwickshire County Council	284	£893.90	1
Solihull Metropolitan Borough Council	133	£794.91	2
Powys County Council	67	£744.81	3
London Borough of Islington	162	£659.15	4
Hertfordshire County Council	367	£473.16	5
East Ayrshire Council	83	£469.94	6
Royal Borough of Kensington and Chelsea	28	£441.26	7
Southend-on-Sea Borough Council	99	£416.95	8
London Borough of Hounslow	137	£400.93	9
Oldham Metropolitan Borough Council	143	£390.54	10
London Borough of Havering	68	£387.95	11
London Borough of Hackney	107	£382.85	12
Luton Borough Council	171	£377.86	13
Scottish Borders Council	76	£368.36	14
West Berkshire Council	57	£367.75	15
City of London Corporation	4	£363.20	16
London Borough of Tower Hamlets	109	£363.12	17
London Borough of Newham	153	£358.12	18
London Borough of Barnet	141	£352.47	19
Medway Council	155	£318.75	20
Essex County Council	419	£317.70	21
Telford and Wrekin Council	99	£314.31	22
Thurrock Borough Council	117	£292.32	23
Surrey County Council	422	£286.90	24
Stockport Metropolitan Borough Council	116	£285.55	25
Derby City Council	198	£278.50	26
Monmouthshire County Council	49	£275.09	27
London Borough of Wandsworth	66	£271.74	28
Westminster City Council	52	£269.63	29
East Riding of Yorkshire Council	108	£268.09	30

# Stepladder of Achievement

## How the programme will work

Last year's Annual Report included information on our plans for the Stepladder of Achievement, and we are grateful to The Lord Speaker and The Lord Desai for enabling us to set out more details at a reception in the House of Lords River Room on 13th October 2015. The Lord Fink hosted the occasion and spoke eloquently of the need for our work, as also did the Minister for Children and Families, Edward Timpson.

The programme is built on the use of incentivised learning to provide both life skills and a resource base to start adult life. Although not widely used before in the United Kingdom, incentivised learning was successful as the Education Maintenance Allowance encouraged young people to stay at school post compulsory school age. There are also examples in both the developed and developing world showing

that conditional cash transfers work to improve young people's involvement in education.

Having built and tested the system for the Stepladder of Achievement with the help of The Linbury Trust, we are now introducing the programme in a range of selected local authorities.

A key determinant in the pace of rollout will be the availability of funding for the incentives and associated mentoring costs. If we are able to secure the necessary support, we hope to pilot the programme across 48 English local authorities starting in the near future.

The Stepladder of Achievement design has remained constant during the planning period. Its objectives are:

- To inspire teenagers in care to take a number of significant steps to improve their literacy, numeracy and financial capability and

sense of purpose, so that they will be better placed to achieve their full potential as an adult.

- To give teenagers in care the opportunity to earn and save by experience.
- To raise additional funds to add to their Junior ISAs by rewarding them for attainment.

The Stepladder of Achievement is designed to address poor educational attainment and the incentive to find further education, employment and training. Both these outcomes are amongst the most concerning both for young people in care and wider society.

Our aim is to break the cycle of deprivation by enabling them to look forward to a normal adult life, by helping them to reverse this instability and enhance their employability prospects.

Its incentivised learning structure means that, in return for achieving recognised capability in six specific areas, additional payments of up

**Interested?**

Then don't delay - get in touch!

Visit [www.sharefound.org/stepladder](http://www.sharefound.org/stepladder) to make sure your local authority is switched on to the programme, then register for it online!

Any queries? Just call us on 01296 310405 or email [stepladder@sharefound.org](mailto:stepladder@sharefound.org)

The Stepladder of Achievement programme aims to raise the life skills and financial well-being of young people in care.

The Share Foundation is a registered UK Charity No. 1178086 and a company limited by Guarantee in the United Kingdom, No. 4030003

Registered address:  
Oxford House  
Oxford Road  
Aylesbury  
Buckinghamshire  
HP8 4AR

**Stepladder of Achievement**

If you're 'Looked After' and you're aged 15-17... chances are that there's at least £200 in a special account (a Junior ISA), waiting for your 18th birthday...

Plus - The Share Foundation is offering you a chance to make more money as you build your know-how with money. It's a web programme called the 'Stepladder of Achievement' - you learn, earn, and save money all at the same time. The programme is open to all 15 - 17 year olds who have been in care for at least one year.

**Stepladder of Achievement**

A tailor made programme for Looked After Young People to develop financial know-how, improve reading and writing, working with numbers and life skills generally, to make you better placed to achieve your aims in adult life. The Stepladder has 6 steps, and you work through each one via our website which shows your progress and the amount of money you have earned when you successfully complete a step.

The programme offers young people the chance to have a personal mentor where it can be arranged, to help with progress and to provide support when moving on to further education, training, or employment. In order to take the Stepladder programme you must:

1. Have a Junior ISA under the government scheme for Looked After children.
2. Have reached your 16th birthday
3. Be looked after by a local authority who is participating in the scheme.

Here are the steps and what you earn in your Junior ISA for each one:

1. Literacy - that is, reading and writing - £50
2. Numeracy - that is, handling numbers - £50
3. Financial capability (1) Making my Money Work - basic money sense - £200
4. Plan for the future - £50 words on how you plan adult life - £150
5. Financial capability (2) Managing my Money - an 8 week radio course with lots of money info - £300
6. Mentoring - securing future education, employment or training, with individual help - £400

**Take all six steps and you'll earn £1,500 in your Junior ISA for you to draw out at 18.**

**Benefits for young people**

- Save while you learn - take the steps, make the money!
- Easy learning, anytime, anywhere! All you need is internet connection, then work at your own pace, measure your progress, and be rewarded for completing each step.
- Learn how to manage your money as a life skill.
- Start planning for your future and consider becoming a mentor for the Stepladder of Achievement for someone else in the future.
- Get access to guidance and support at every step of the way if required and available.

Figure 3 Stepladder of Achievement leaflet

to £1,500 will be added to the young person's Junior ISA. These six steps will support readiness for adult life in terms of gaining employment and achieving full self-sufficiency.

**The six steps are:**

- Literacy – assessed by a ForSkills functional skills test with provision of learning to improve performance broadly similar in demand to grade C GCSE pass rate. (Benefit £150)
- Numeracy – assessed by a ForSkills functional skills test with provision of learning to improve performance broadly similar in demand to grade C GCSE pass rate. (Benefit £150)
- Financial Capability (1) – assessed by ForSkills conversion of pfeg (Personal Finance Education Group, now part of Young Enterprise) material with an additional end assessment. (Benefit £200)



- Plan for the Future – 250–500 words submitted and assessed by The Share Foundation (using volunteers) as to the young person's aspirations for the future and how they will use their investment – assessment will require the recruitment and retention of volunteers. (Benefit £250)
- Financial Capability (2) – Managing My Money, Share Radio's broadcast version of The Open University Business School's 8 week course with recognised accreditation. (Benefit £350)
- Securing further education, employment or training – supported by mentoring from organisations such as The Children's Society. (Benefit £400)

**Figure 4 Stepladder of Achievement Certificate of Completion**

We will work with local authorities to identify the most appropriate support and mentoring to work alongside the young people taking the Stepladder of Achievement programme; The Children's Society and others will work with us in this respect, and we intend to encourage those who have taken the programme to support and mentor those following on after them.

Key to the success of the programme is its promotion to young people themselves, and we will work closely with virtual school heads, foster carers and social work teams within local authorities. The feedback we have received is that money is a major motivator, as is ensuring that assessments and qualifications used are meaningful and recognised.

If the programme can be rolled out across the United Kingdom without undue delay, we will be able to reach many of the 25,000 young

people currently eligible. However time is not on our side as c. 600 of these eligible young people reach the age of 18 each month, and will therefore lose access at that point. This is why the availability of funding for incentives and mentoring is so important, and our fundraising efforts have therefore been focused on supporting the Stepladder of Achievement programme in order to ensure that each young person, whatever their background, will be able to go as far as their talents will take them.

We are also conscious that many young people in care will not find the programme easy, since evidence shows that only c. 14% achieve C Grade GCSEs (compared with 53% of the population as a whole). We hope that mentoring will help them to progress through the steps, but acknowledge that the Stepladder of Achievement success rate is not likely to exceed 30%.



# Fundraising

Fundraising for the Stepladder of Achievement programme has taken precedence over general appeals during the past year and we are very grateful for the donations and commitments that are enabling the programme to be introduced initially in a number of English local authorities. Pre-pilot operations are taking place in the 'Tri Borough' London authorities of Hammersmith and Fulham, Westminster, and Kensington and Chelsea (these are funded by The Adrian and Jane Frost Charitable Trust) and Hillingdon (funded by The Barbara and Stanley Fink Foundation and The Pinchbeck Charitable Trust). Buckinghamshire will also be included.

Charlotte Langley, Director of Fundraising, and Kathryn Caswell, Major Donor Manager, are making a significant number of applications to, and continuing discussions with, corporates, grant-making trusts and individuals and evidence of the Stepladder of Achievement programme in operation should provide

additional stimulus to see many of these to successful conclusions. These will include improvement in educational attainment and the reduction of the numbers entering adulthood without further education, employment or training and will point to the savings in downstream financial and non-financial costs which could be achieved.

Meanwhile, if applications for funding the wider pilot are successful, we expect a considerable boost to future voluntary funding. This should result not only from endorsement of our approach but also from assessment results starting to build a significant evidence base for the effects of our approach, which should unlock the door to social investment.

We are very grateful for voluntary contributions received in 2015/2016 from the donors included in figure 5, which are included in the totals shown in figure 6.

**Figure 5 List of Donors during 2015/2016**

Mrs Margaret Boothby
Mrs T Brown
Mrs Susan Frasca
Mrs J Hale
Mr Roderick Kent
Mactaggart Third Fund
Mr A Mason
Sir Harvey and Lady McGrath
Gavin Oldham No 4 Trust
The Pinchbeck Charitable Trust
Populus Research
Ms Jennifer Reynolds
ShareGift
Mrs Marion Silverlock

**Figure 6 Junior ISA contributions other than central Government**

Individuals/trusts restricted to groups of children/local authority areas	£35,499
Individuals/trusts without restrictions	£6,360
Local authorities for groups of children in their own area	£327,825
Individuals (eg foster carers) for individual young people	£187,624
Total:	£557,308





The Lord Fink and Chairman,  
Gavin Oldham at The Share  
Foundation's reception in  
the River Room of the  
House of Lords

OCTOBER 2015

# Operations

Our small but very effective team in Aylesbury has provided consistently strong operation of the Junior ISA scheme throughout the past year. Led by Anthony Walker, Director of Operations, the team has provided good support to 209 local authorities throughout the United Kingdom, and maintained a high standard of operational reconciliation and efficiency throughout the period. We are very grateful for their efforts.

All local authorities have now supplied their data so that young people in their care can benefit from the scheme. Some data requires back-dated payments to be made since inception of the scheme in 2012, with £200 being paid to all those eligible who have reached 18 years of age. This is challenging for local authorities who have joined the scheme late.

We have refreshed The Share Foundation's brand and website during the past year. The

Stepladder of Achievement assessment process, which is fully online and enabled for mobile access, features strongly in the new website and we will report regularly on its development and effectiveness.

Operations continue to be based at Oxford House in Aylesbury and, in May 2016, we extended the lease on our premises to 2021. We had hoped this would coincide with the retendering of our Junior ISA contract with the Department for Education, but this has not proved possible in the event. This may partly have been due to the uncertainties and changes surrounding the EU referendum in June 2016.

Our systems have performed well over the past year and are a key part in enabling us to operate the Junior ISA scheme so cost effectively. Meanwhile a high standard of security and data protection has been maintained throughout.

As at the end of March 2016, 80,938 children

had either a Junior ISA opened on their behalf or received a cheque in lieu of an account, as they were over 17 years 10 months of age at the time of us receiving their funds.

In total, £16,187,600 had been claimed from the Department for Education for the benefit of current and former Looked After children.

11,873 children from 198 local authority areas had been identified as qualifying for a payment under the Junior ISA scheme, but had left the care of the local authority before the date of their initial data download. Of these children, 6,761 had completed and returned their entitlement forms and received their payment.

Meanwhile a total of £1,568,941 had been received since 2012 from individuals, local authorities and trusts, 100% of which has been credited to individual Junior ISA accounts.

# Junior ISA Providers

We continue to operate with two Junior ISA providers, The Children's ISA and The Share Centre, and remain open to welcoming further providers under the scheme. Administration arrangements for The Children's ISA are provided by Avalon Investments, which underwent a change in ownership during the year.

Meanwhile account allocation advice is now provided to The Share Foundation by

Henderson Global Investors which is doing this without charge.

Account values have continued to make progress over the past year. Figure 7 sets out the average increases up to 31 March 2016 in the values of the accounts started in each quarter, analysed by the ages of the account holders at 31 March 2016. The increases include the effects of additional subscriptions received in the accounts.

**Figure 7** Changes in Junior ISA values across account-opening periods and ages, set against the £200 start value (unaudited)

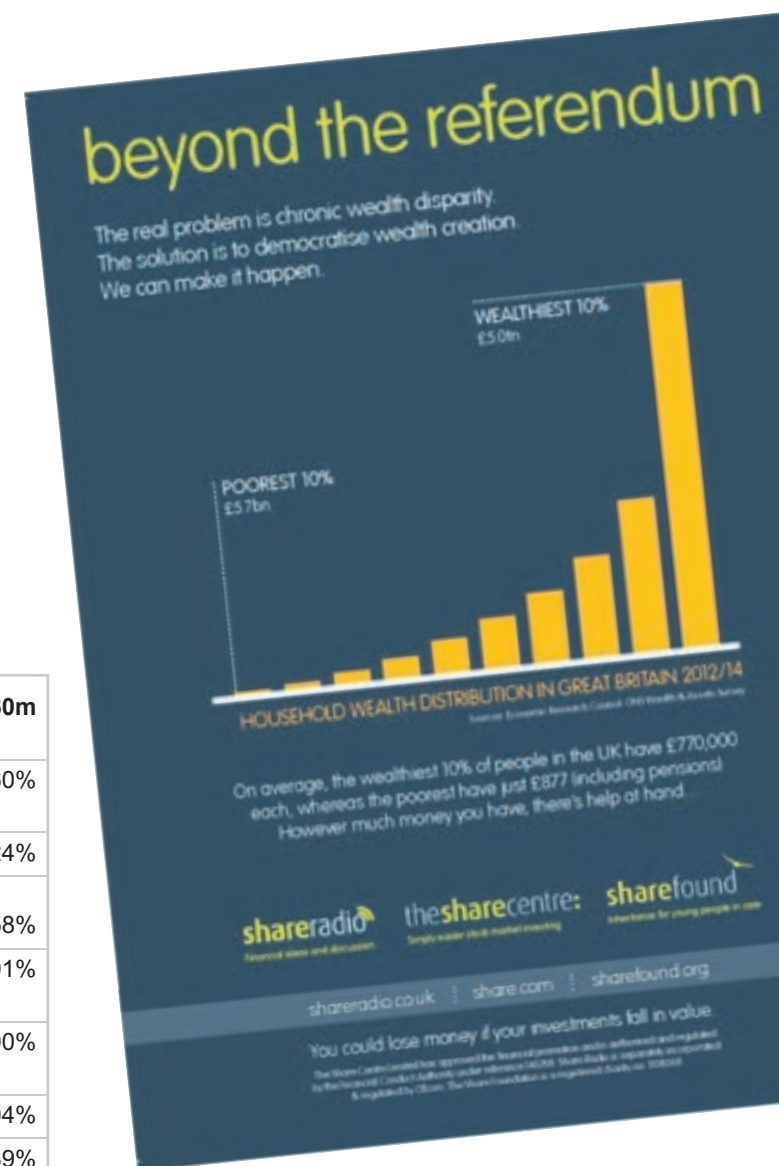
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The funds employed within these Junior ISAs performed as follows in each of the five years up to 31 March 2016.

**Figure 8 Fund Performance (unaudited)**

Age Range	Junior ISA Provider	Fund Code	Fund Name or Sector Benchmark	0-12m	12-24m	24-36m	36-48m	48-60m
9 – 17	The Children's ISA	GB00B4W2H776 PTF A (Acc)	Total Clarity Portfolio 3 Fund A	-0.59%	9.90%	2.46%	6.15%	6.60%
9 – 15	The Share Centre	GB00B2NLM749	SF Cautious	3.54%	5.78%	7.10%	11.66%	-1.24%
		Benchmark	IMA Mixed Investment 20%-60%	-2.64%	8.78%	3.64%	10.20%	1.58%
1– 9	The Children's ISA	GB00B549YV68 Portfolio Acc A	CF Prudential Dynamic 40-80 Portfolio A	-4.55%	13.27%	3.83%	11.62%	2.01%
1– 9	The Children's ISA	GB00B4WHDG30	Total Clarity Portfolio 5 Fund A	-2.35%	11.53%	3.34%	12.42%	-1.00%
1– 9	The Share Centre	GB00B2NLM855	SF Positive	3.42%	7.91%	3.30%	10.90%	-4.04%
		Benchmark	IMA Mixed Investment 40%-85%	-3.15%	10.87%	5.43%	16.56%	-12.39%
1– 9	The Children's ISA	GB00B4WOZG69	Total Clarity Diversified Long Term Growth A Acc	-3.89%	11.97%	2.14%	10.97%	-3.08%
		Benchmark	IMA Flexible Investment	-4.27%	11.85%	4.61%	12.27%	-2.04%



**Democratisation of Wealth  
Creation Campaign goes live  
in Private Eye.**

# A Wider Perspective

On 21st June 2016 The Share Foundation joined with Share Radio and The Share Centre to publish the 'Democratisation of Wealth Creation' advertisement. This draws attention to the significant disparity in wealth and opportunity within the United Kingdom and calls for the need to democratise wealth creation across society.

The Share Foundation's activities are focused on the interests of young people most in need. Young people in care experience one of the most difficult starts to adult life, and yet they have the same potential to achieve as any other young person. The Share Foundation's Ambassadors are testament to what is possible, shown here in figure 9.

The Junior ISA scheme for Looked After children and young people provides a comprehensive platform on which to base our support and The Share Foundation hopes to be reconfirmed in due course as its administrator

for the coming years by the Department for Education. In any event our work for young people most in need will continue, to help them achieve their potential in adult life.

The incentivised learning programme of the Stepladder of Achievement is designed to provide the ingredients that so many young people need in order to achieve their potential: the life skills of literacy, numeracy and financial capability, some initial resources and a change to a more positive attitude towards their future.

We hope that the Stepladder programme will deliver that opportunity to democratise wealth creation for these young people most in need.

If we can demonstrate these results, it will not only attract the funding and social investment which we need to take the programme across the United Kingdom but could also provide a basis for a much wider application. There are several million children and young people who

**Figure 9 The Share Foundation's Ambassadors 2015/2016**

<b>David Akinsanya</b>	Broadcaster and journalist, mentor of young people in care, and trainer in the NHS
<b>Dilly Braimoh</b>	TV and radio broadcaster with the British Forces Broadcasting Service, the BBC World Service and BBC Radio 4 with many appearances on television.
<b>Paolo Hewitt</b>	Music journalist and author of books on David Bowie, Paul Weller and his time in care.
<b>Delma Hughes</b>	Founder of Siblings Together, a charity that brings together siblings split by being in care.
<b>Ashley John-Baptiste</b>	BBC reporter, public speaker and X Factor finalist.
<b>Hugh Maynard</b>	Star of the show, Miss Saigon.
<b>Lemn Sissay</b>	Author and poet, currently Chancellor of the University of Manchester.
<b>Leroy Skeete</b>	Public speaker, campaigner for the reform of the criminal justice system and regular prison visitor.

grow up in more stable home surroundings than young people in care, but are still subject to poverty and in many cases educational deprivation. If incentivised learning can be shown to work for young people in care, it will also have the capacity to change the lives of many, many more young people.

Gavin Oldham, Chairman  
The Share Foundation

# Directors' Report

## FOR THE YEAR ENDED 31 MARCH 2016

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 2016.

### 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 the test of charitable status.

### Reserves Policy

The Share Foundation had unrestricted reserves of £360,495 as at 31st March 2016 (31st March 2015: £369,735).

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 to beneficiaries, 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.

### Corporate Governance

The trustees who served during the year were:

Gavin Oldham
Christopher Daws
Matthew Downie (Resigned 25 September 2015)
Ruth Kelly
John Reeve
Henrietta 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 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, which supplies Junior ISA services to The Share Foundation following guidance from our independent account allocation adviser. Gavin Oldham is Chairman and, together with his associated family trusts, is majority shareholder of Share plc. There is no

other association between The Share Foundation and The Share Centre.

The trustees have assessed the major risks to which The Share Foundation is exposed, and have identified three main risks:

- The work on the Junior ISA contract is entirely funded by the Department for Education. The contract with the Department is subject to government rules on tendering for contracts and is going through a retendering process in the final quarter of 2016. The outcome of the tendering process should be known in late 2016, with a new contract term being offered to 31 March 2019. There is a risk that the new contract will not be offered to The Share Foundation. The trustees are satisfied that the reserves of the charity are sufficient to cover the loss of the contract in the short term, to enable alternative work to be sought or a reduction in costs to the organisation.

- The fundraising costs are wholly funded by the Gavin Oldham No 4 Trust. The trustees are satisfied that the current reserves of the charity are sufficient to cover the loss of this source of income in the short term should this happen.

- There is a risk of fraud when handling funds. Checks and balances are in place to minimise the risk of fraud, with two persons involved in authorising all expenditure. Further random checks are also carried out by an external consultant to reduce the opportunity for and possibility of any fraudulent activity.

#### **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 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,



Gavin Oldham,  
Chairman, The Share Foundation

3 October 2016

# Independent Auditors' Report to the trustees

We have audited the financial statements on pages 27 to 34. 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 January 2015).

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 2016, 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 matters 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.

### 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

16 November 2016

# Statement of financial activities

## FOR THE YEAR ENDED 31 MARCH 2016

INCLUDING THE INCOME AND EXPENDITURE ACCOUNT

	Note	Unrestricted funds £	Restricted funds £	Total funds 2016 £	Unrestricted funds £	Restricted funds £	Total funds 2015 £
<b>Income from</b>							
Donations and legacies	2a	127,273	676,320	803,593	118,464	684,111	802,575
Charitable activities	2b	-	236,280	236,280	-	226,658	226,658
Investment income	2c	-	-	-	1	3	4
<b>Total</b>		127,273	912,600	1,039,873	118,465	910,772	1,029,237
<b>Expenditure on</b>							
Raising funds	3a	89,417	480	89,897	23,960	-	23,960
Charitable activities	3b	86,096	824,162	910,258	28,533	898,707	927,240
<b>Total</b>		175,513	824,642	1,000,155	52,493	898,707	951,200
Transfer between funds		39,000	(39,000)	-	-	-	-
Net movement in funds		(9,240)	48,958	39,718	65,972	12,065	78,037
<b>Reconciliation of funds</b>							
Total funds brought forward		369,735	90,144	459,879	303,763	78,079	381,842
<b>Total funds carried forward</b>		360,495	139,102	499,597	369,735	90,144	459,879

All recognised gains and losses are shown above. All the charity's operations are classed as continuing.  
The notes on page 27 to 34 form part of these financial statements.

# Balance sheet

AS AT 31 MARCH 2016

	Notes	Unrestricted Funds £	Restricted Funds £	2016 £	2015 £
<b>Fixed assets</b>					
Tangible assets	4	-	-	-	-
<b>Current assets</b>					
Debtors and prepayments	5	837	9,748	10,585	3,424
Cash at bank and in hand	6	362,513	155,249	517,762	485,850
Total current assets		363,350	164,997	528,347	489,274
Creditors: falling due within one year	7	2,855	25,895	28,750	29,395
<b>Net current assets</b>		360,495	139,102	499,597	459,879
<b>Funds of the Charity</b>					
Unrestricted funds		360,495	-	360,495	369,735
Restricted funds	9/10	-	139,102	139,102	90,144
		360,495	139,102	499,597	459,879

The notes on pages 27 to 34 form part of these financial statements.

Approved by the Directors on 3 October 2016 and signed on their behalf by G D R Oldham



G D R Oldham, Director  
Company Number: 4500923



# Notes to the financial statements

## FOR THE YEAR ENDED 31 MARCH 2016

### 1 Accounting policies

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

#### 1.1 Basis of accounting

The financial statements have been prepared in accordance with all applicable accounting standards, as modified by the Charities' Statement of Recommended Practice (SORP) (with effect from 1 January 2015). The financial statements 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 the SORP.

#### 1.2 Incoming resources

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

- The charity becomes entitled to the resources;
- The receipt of the resources is probable; and
- The monetary value can be measured reliably.

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 Voluntary income

Donations are included in the SOFA in full when they are received.

#### 1.4 Grant income

Grant income is recognised when the charity became entitled and the receipt is probable and can be reassured reliably.

#### 1.5 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.

#### 1.6 Contractual income and performance related grants

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

#### 1.7 Gifts in kind

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

#### 1.8 Donated services and facilities

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

#### 1.9 Volunteer help

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

#### 1.10 Investment income

This is included in the SOFA when received.

#### 1.11 Liability recognition

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

#### 1.12 Expenditure

These are included in the SOFA on an accruals basis, inclusive of any VAT that cannot be recovered.

#### 1.13 Governance costs

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

## Notes to the financial statements continued

### 1.14 Grants with performance conditions

Grants given with conditions for payment being a specific level of service or output to be provided are only recognised in the SOFA once the recipient of the grant has provided the specified service or output.

### 1.15 Grants without performance conditions

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

### 1.16 Tangible fixed 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 for Education service contract have not been capitalised as the economic benefit and ownership of the assets do not pass on to the charity.

### 1.17 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.

### 1.18 Funds 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 9.

**2. Income from:**

	Unrestricted funds £	Restricted funds £	Total Funds 2016 £	Unrestricted funds £	Restricted funds £	Total 2015 £
<b>a) Donations and legacies</b>						
Gifts and donations	70,000	626,199	696,199	65,225	684,065	749,290
Tax recoverable	57,273	121	57,394	53,239	46	53,285
Grants	-	50,000	50,000	-	-	-
	127,273	676,320	803,593	118,464	684,111	802,575
<b>b) Income from charitable activities</b>						
Contractual income from the Department for Education	-	236,280	236,280	-	226,658	226,658
<b>c) Investment income</b>						
Bank interest	-	-	-	1	3	4

**3. Expenditure on:**

	Unrestricted Funds £	Restricted Funds £	Total 2016 £	Total 2015 £
<b>a) Raising funds</b>				
Fundraising activities	1,921	-	1,921	1,066
Fundraising costs	87,496	480	87,976	22,894
	89,419	480	89,897	23,960
<b>b) Charitable activities</b>				
Payments into Junior ISAs from voluntary sources	-	594,837	594,837	685,262
Operating costs (3c)	20,103	202,174	222,277	216,020
£1,000 at 18 prizes	7,000	-	7,000	15,440
Governance costs (3d)	3,241	5,767	9,008	10,413
Financial education	55,752	21,384	77,136	105
	86,096	824,162	910,258	927,240
<b>c) Operating costs</b>				
Bank charges	22	-	22	19
Computer costs	6,735	35,578	42,313	41,183
Consultancy	-	-	-	1,521
Equipment	270	1,278	1,548	4,416
Insurance	-	8,622	8,622	3,326
Light and heat	-	777	777	710
Printing, postage and stationery	2,136	8,081	10,217	13,087
Rent and rates	-	11,089	11,089	11,474
Service charge	-	3,911	3,911	4,334
Water cooler	-	364	364	-
Staff costs	7,540	128,460	136,000	123,832
Staff recruitment	900	-	900	8,000
Telephone	-	1,646	1,646	1,626
Travel expenses	2,500	2,368	4,868	2,492
	20,103	202,174	222,277	216,020
<b>d) Governance costs</b>				
Audit and accountancy fees	1,418	5,672	7,090	7,100
Legal and professional fees	372	95	467	3,129
Trustee expenses	1,451	-	1,451	184
	3,241	5,767	9,008	10,413

Audit and accountancy fees are apportioned 20:80 between unrestricted and restricted funds. All other expenditure is allocated against the fund concerned.

**4. Tangible fixed assets****Office equipment  
£****Cost**

At 1 April 2015 and 31 March 2016	1,327
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**Depreciation**

At 1 April 2015 and 31 March 2016	1,327
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**Net book values**

At 31 March 2016	-
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At 31 March 2015	-
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**5. Debtors and prepayments**

2016 £	2015 £
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Gift Aid tax recoverable	-	15
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Prepayments	10,585	3,409
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	10,585	3,424
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All amounts shown under debtors fall due for payment within one year.

**6. Cash at bank and in hand**

General cash account	455,345	454,930
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Private sector trust account	62,417	30,920
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	517,762	485,850
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**7. Creditors: falling due within one year**

Trade creditors	4,546	2,489
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Accruals and other creditors	11,597	11,990
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PAYE and NI	5,527	4,440
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VAT	7,080	10,476
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	28,750	29,395
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**8. Staff costs and numbers**

	<b>2016</b> <b>£</b>	<b>2015</b> <b>£</b>
Gross wages and salaries	194,470	130,082
Employer's National Insurance costs	17,840	10,343
Pension contributions	10,900	5,233
	<b>223,210</b>	<b>145,658</b>

**Employees who were engaged in each of the following activities:**

	<b>2016</b>	<b>2015</b>
Operational in respect to charitable activities	5	4
Fundraising	2	1
	<b>7</b>	<b>5</b>

The charity operates a PAYE scheme to pay all employed members of staff. There was 1 employee who earned between £60,000 - £70,000 (2015: None).

Pension contributions payable were made to defined contribution schemes for 4 (2015: 3) employees during the year.

**9. Restricted funds**

	<b>Junior ISA Donations £</b>	<b>Department for Education Contract £</b>	<b>2016 Total £</b>	<b>2015 Total £</b>
Balance at 1 April 2015	31,984	58,160	90,144	78,079
Income	676,320	236,280	912,600	910,772
Expenditure	(594,837)	(229,805)	(824,642)	(892,707)
Transfers between funds	-	(39,000)	(39,000)	-
Closing funds at 31 March 2016	<b>113,467</b>	<b>25,635</b>	<b>139,102</b>	<b>90,144</b>

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.



**10. 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.

	Balance at 1 April 2015 £	Income £	Expenditure £	Transfers in £	Transfers out £	Balance at 31 March 2016 £
Unrestricted funds	369,735	127,273	(175,513)	39,000	-	360,495
Restricted funds	90,144	912,600	(824,642)	-	(39,000)	139,102
Total accumulated funds	459,879	1,039,873	(1,000,155)	39,000	(39,000)	499,597

**11. Analysis of net assets between funds**

	Tangible fixed assets £	Net current assets £	Total £
Unrestricted funds	-	360,495	360,495
Restricted funds	-	139,102	139,102
Total funds		499,597	499,597

**12. Financial commitments**

At 31 March 2016 the charity was committed to the following payments under non-cancellable operating leases in the year to 31 March 2017:

	2016 £	2015 £
Operating leases which expire within two to five years:	-	10,320

**13. Payments to directors and related parties**

Expenses of £1,450 (2015: £184) were paid to one director (2015: one). 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 (2015: £ none).

During the year 2,159 (2015: 3,240) Junior Individual Savings Accounts, totalling £431,800 (2015: £648,000), were opened, on behalf of qualifying young people, with The Share Centre. Gavin Oldham is Chairman 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.

#### 14. Post balance sheet events

The Department for Education's re-tendering arrangements for the Junior ISA scheme for Looked After children, originally scheduled to take place earlier in 2016, were delayed until autumn 2016. The 'Invitation to Tender' included provision for the transfer of the Child Trust Funds.

The Share Foundation has submitted its bid for re-confirmation of both the Junior ISA and Child Trust Fund schemes and expects to hear the outcome by the end of 2016.

<b>Charity registration number</b>	1108068
<b>Company registration number</b>	4500923
<b>Date of incorporation</b>	1 August 2002
<b>Start of financial year</b>	1 April 2015
<b>End of financial year</b>	31 March 2016
<b>Directors</b>	Gavin D R Oldham Christopher W Daws Matthew D Downie (Resigned 25 September 2015) Ruth M Kelly John R Reeve Henrietta S Royle
<b>Company Secretary</b>	Gavin D R Oldham
<b>Governing Document</b>	Memorandum & Articles of Association incorporated on 1 August 2002, as amended by Special Resolution dated 27 January 2005.
<b>Objects</b>	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  
8 Market Square  
Aylesbury  
Buckinghamshire  
HP20 1TW

# YOUR LEGACY

The total value of estates paying inheritance tax each year is over £20bn.

Around 63% is left to family members and a further 9% to others. The inheritance tax take is 19% (or £3.8bn in 2014/15), and just 16% of wills include a gift for charity.

And yet the Government has made it particularly easy to bequeath to charity. If 10% of your taxable estate is left to charity, the gift will be free of tax and the rest of your estate will be taxed at just 36%, not 40%.

There is a real logic to making a bequest to increase the value of Junior ISAs of young people in care. Let your inheritance benefit not just your own family but also those young people who have no access to any family support. In this way the capital you leave behind fuels the hopes of the next generation, of those most in need - the hopes shown throughout this report - while less of your money will be consumed in current Government expenditure when you die.

Making a bequest to The Share Foundation, 100% of which will go to the Junior ISAs of young people in care, is easy.

**Just visit [www.sharefound.org/yourlegacy](http://www.sharefound.org/yourlegacy)  
or telephone 01296 310400**



The Share Foundation, Oxford House, Oxford Road, Aylesbury, Buckinghamshire, HP21 8PB  
Registered Charity Number: 1108068. Company limited by guarantee and registered in England. Number: 4500923  
VAT Registration Number: 134 2261 48. Registered Office: As above. General emails: [info@sharefound.org](mailto:info@sharefound.org). Website: [www.sharefound.org](http://www.sharefound.org)  
The registered charity operating the Junior ISA scheme for young people in care on behalf of the Department for Education