



UNITED KINGDOM SHAREHOLDERS' ASSOCIATION LTD

REPORT AND FINANCIAL STATEMENTS

YEAR TO 31 DECEMBER 2019

Registered Number 04541415 (England & Wales)

UNITED KINGDOM SHAREHOLDERS' ASSOCIATION LTD

FINANCIAL STATEMENTS

YEAR TO 31 DECEMBER 2019

CONTENTS	PAGE
Directors' Report	3
Meetings with Companies & Directors	6
Accountants' Report	7
Profit and Loss Account	8
Balance Sheet	9
Notes to the Financial Statements	10

COMPANY INFORMATION

Directors Colin Colvin (Chairman)
 Helen Gibbons
 John Hunter
 Robert McDonald
 Sue Milton
 Peter Parry
 Martin White

Company Secretary Robert McDonald

Registered Office Chislehurst Business Centre
 1 Bromley Lane
 Chislehurst, Kent
 BR7 5LH

Registered Number 04541415

COMPANY ACTIVITY

The United Kingdom Shareholders' Association (UKSA) was founded in 1992 and became a company limited by guarantee on 20 September 2002.

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 membership subscriptions for finance and on the voluntary efforts of its members, including board members, for the bulk of its activities.

UKSA's key aims are to:

- Campaign for the rights of private shareholders
- Help savers to become investors
- Give its members direct access to company directors
- Help members make better investments
- Support its community of members

UNITED KINGDOM SHAREHOLDERS' ASSOCIATION LTD

DIRECTORS' REPORT

During the year UKSA has been engaged in reviewing its strategy for the future. We now intend to extend our supporter base from its traditional core of active private investors to include all savers who may be unaware of the opportunities, rights and obligations of share ownership. To do this we are attracting independent experts to give authority to our position and have developed a website, HonestMoneyNow.co.uk, to provide simple guidance for inexperienced savers. This programme is branded 'Savers Take Control' and we are planning for the long term.

In carrying this programme forward we will ensure we remain independent of the conflicts of interest that infect the world in which private investors live.

Since the year end we have welcomed new directors to the board. Dean Buckner recently retired as a senior analyst at the Prudential Regulatory Authority (PRA) and has been instrumental in strengthening the capital adequacy rules applying to institutions selling equity release mortgages. He is active in the policy team. Malcolm Hurlston is founder and chairman of the Employee Share Ownership (Esop) Centre and chairman of the Financial Inclusion Centre and brings a wealth of experience in international lobbying and the management of voluntary organisations related to personal finance.

For a list of the directors who served during the year see page 2

Membership & Regions

There were 493 members at the end of 2019, compared with 536 the previous year. We have in the past allowed the membership to decline, concentrating on achieving policy aims through active volunteers. UKSA's new strategy, which depends on a widening base of supporters to give us political influence, requires that this is reversed.

The Board recognise and appreciate the hard work by the Regional Committees arranging meetings and presentations with a wide range of reputable companies to afford UKSA members the opportunity of face to face discussions with directors and key representatives. 2019 proved to be another successful year in this regard. The organisation of the events has been managed by committee members and, although this will continue, further support, particularly in the area of administration of events and membership recruitment, will be offered by the central administration function.

UNITED KINGDOM SHAREHOLDERS' ASSOCIATION LTD

DIRECTORS' REPORT (continued)

Finance & Administration

The surplus on members' account of £1,484 was less than last year's record £4,632 but satisfactory in the context of declining membership. Members' reserves now amount to £19,526.

We continue to manage residual funds originally raised for the campaign to compensate the shareholders of Northern Rock. These amounted to £32,411 at the year end, after net expenditure in the year of £915.

Policy & Campaigns

The policy team continued its work in shaping and influencing thinking by the government, regulators and others on policy matters of interest to private shareholders. We have increasingly pooled our resources with ShareSoc, with obvious benefits in efficiency, and will endeavour to extend co-operation with like-minded organisations wherever possible.

Formal government and regulatory consultations included the Law Commission's 'Call for Evidence' on intermediated securities; consultation by BEIS on Sir John Kingman's recommendations for the future of the Financial Reporting Council (FRC); and Sir Donald Brydon's review into 'the quality and effectiveness of audit'. We submitted extensive responses to all, jointly with ShareSoc.

The Northern Rock campaign remains quiet during a period when Brexit has dominated all aspects of government policy.

We continued to support campaigns initiated by others and are joint signatories to the campaign headed by Sarasin & Partners to make international accounting standards consistent with English law, particularly as regards the 'prudence' concept.

We retained our places on the FRC's Investor Advisory Group and on the Stakeholder Panel. The FRC ran another very successful 'Lifting the Lid' event in December to engage with private shareholders. This has been followed up by a number of roundtable events specifically for our members on financial reporting policy issues. We also continue to participate in discussion events with the large auditors.

Our overriding policy objective remains to return to individual investors the rights – particularly voting rights – taken from them in favour of platforms and brokers as a consequence of the nominee accounts system.

UNITED KINGDOM SHAREHOLDERS' ASSOCIATION LTD

DIRECTORS' REPORT (continued)

External relations

We have adopted a new emphasis on external relations with a nominated director responsible – Sue Milton. We are promoting UKSA by building relationships with relevant organisations and the media; seeking and positively exploiting opportunities for the membership; collaborating with Academia; and building strong relationships across UKSA's membership regions.

Europe

UKSA continued to play an active part in Better Finance, the umbrella body for shareholder organisations across Europe, through director Helen Gibbons. We took part in conferences on subjects such as corporate governance, stewardship and financial education. We also worked with other shareholder bodies in Europe to facilitate individual shareholder representation at company AGMs in the UK.

Better Finance has a remit to serve organisations in both EU and non-EU countries, so we will continue to work with shareholder groups in other European countries to ensure our voice is heard by the EU, ESMA and other bodies whose policies will continue to affect the London market.

Future

UKSA is embarked on a new path, consistent with its origins, still rooted in a belief in the private investor as a source for economic and social good, still independent of all conflicts of interest, but new in its ambition. We will need to build a bigger organisation with more money and more volunteers and supporters to give us more political influence to achieve our aims and apply some restraint on the weaknesses of the current financial system: exploitation of individual savers, weak engagement with investors, poor corporate stewardship, inappropriate director remuneration and audit inadequacies.

Finally, enormous thanks are due to all those volunteers who give their time and expertise to enable an organisation such as ours, without paid employees, to work.

Small company provisions

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to the small companies' regime.



Colin Colvin, Chairman

UNITED KINGDOM SHAREHOLDERS' ASSOCIATION LTD

MEETINGS WITH COMPANIES & DIRECTORS

A distinctive part of UKSA's service is private access to the directors of public companies through its programme of 'analyst-style' meetings. These are small-group visits to hear presentations normally given to analysts or in other closed meetings. They are arranged by volunteers, often through their own initiative in achieving a personal acquaintance with company chairmen in UKSA's name.

Companies like to gain access to the views of the real investor community and are able to practise their presentations in relaxed surroundings. Members like them because they gain insights that cannot be obtained just from the written word and they can enjoy their host's hospitality. They are an important contributor to UKSA's key aims listed on page 2.

The following companies were visited in 2019:

NB. All the below are Public Limited Companies.

FTSE100

Barratt Developments
BHP Group
BP
BT
Halma
HSBC
IHG
Legal & General
Standard Chartered
Taylor Wimpey
Vodafone
Whitbread

FTSE SmallCap

Severfield

AIM

RWS
Sirius Minerals

FTSE250

Ashmore Group
Assura
Balfour Beatty
Beazley
Hays
New River
Shaftesbury Group

DENBY MORRIS LTD

Number 10
Coldbath Square
London
EC1R 5HL

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

We have performed certain procedures in respect of the company's unaudited financial statements for the year ended 31 December 2019 on pages 8 to 12, made enquiries of the company's directors and assessed accounting policies adopted by the directors, in order to gather sufficient evidence for our conclusion in this report.

This report is made solely to the company's directors, as a body, in accordance with our terms of engagement. Our work has been undertaken so that we might state to the directors those matters that we have agreed to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's directors as a body for our work, for this report or the conclusions we have formed.

Respective responsibilities

You have confirmed that you have met your duty as set out in the directors' statement on page 9. You consider that the company is exempt from the statutory requirements for an audit for the year. Our responsibility is to form and express an independent conclusion, based on the work carried out, to you on the financial statements.

Scope

We conducted our engagement in accordance with the Institute of Chartered Accountants in England & Wales Technical Release TECH 07/16AAF. Our work was based primarily upon enquiry, analytical procedures and assessing accounting policies in accordance with the Financial Reporting Standard 102. If we considered it to be necessary, we also performed limited examination of evidence relevant to certain balances and disclosures in the financial statements where we became aware of matters that might indicate a risk of material misstatement in the financial statements.

The terms of our engagement exclude any requirements to carry out a comprehensive assessment of the risks of material misstatement, a consideration of fraud, laws, regulations or internal controls, and we have not done so. We are not required to, and we do not, express an audit opinion on these financial statements.

Conclusion

Based on our work, nothing has come to our attention to refute the directors' confirmation that in accordance with the Companies Act 2006 the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2019 and of the surplus for the year then ended and have been properly prepared in accordance with Financial Reporting Standard 102.

Paul Denby - Chartered Accountant
Denby Morris Ltd



17 March 2020

UNITED KINGDOM SHAREHOLDERS' ASSOCIATION LTD

PROFIT & LOSS ACCOUNT

YEAR TO 31 DECEMBER 2019

MEMBERS' ACCOUNT

	Notes	2019 £	2018 £
Turnover	2	<u>23,860</u>	<u>24,250</u>
Administration Expenses			
Administration & communications	3	15,030	13,618
Directors & meetings	4	2,650	2,770
Services	5	5,696	4,230
Expenses recharged to Northern Rock a/c		(1,000)	(1,000)
Total Expenses		<u>22,376</u>	<u>19,618</u>
Surplus/(Deficit) for the year, before tax		1,484	4,632
Tax on surplus		-	-
Surplus/(Deficit) for the year, after tax		<u>1,484</u>	<u>4,632</u>

NORTHERN ROCK CAMPAIGN ACCOUNT

Interest income		<u>211</u>	<u>160</u>
Campaign expenses		126	94
Expenses charged from members' account		<u>1,000</u>	<u>1,000</u>
Net Surplus/(Deficit) for the Year, before tax		(915)	(934)
Tax		-	-
Net Surplus/(Deficit) for the Year, after tax		<u>(915)</u>	<u>(934)</u>

UNITED KINGDOM SHAREHOLDERS' ASSOCIATION LTD

BALANCE SHEET

AT 31 DECEMBER 2019

	Notes	2019 £	2018 £
CURRENT ASSETS			
Debtors		-	79
Cash at bank		59,884	59,111
		<u>59,884</u>	<u>59,190</u>
CREDITORS: amounts falling due within one year			
	6	<u>(7,947)</u>	<u>(7,822)</u>
NET CURRENT ASSETS			
		51,937	51,368
NET ASSETS			
		<u>51,937</u>	<u>51,368</u>
CAPITAL and RESERVES			
	7		
Members' reserves	8	19,526	18,042
Northern Rock campaign reserve	9	32,411	33,326
SHAREHOLDERS' FUNDS			
		<u>51,937</u>	<u>51,368</u>

For the year ending 31 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- the members have not required the company to obtain an audit of its accounts for the year in accordance with section 476;
- the directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and the preparation of accounts;
- these accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime of the Companies Act 2006.



Colin Colvin
Chairman

Approved by the Board on 17 March 2020

UNITED KINGDOM SHAREHOLDERS' ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR TO 31 DECEMBER 2019

1 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with FRS 102 (as applied to small enterprises by S1A of the Standard), the Financial Reporting Standard applicable in the UK and the Republic of Ireland, and the Companies Act 2006.

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

Principal activity and turnover

In previous years the company has run shareholder campaigns both on behalf of its members and also for other action groups. All such campaigns have been wound up with the exception of the Northern Rock campaign. UKSA holds funds originally donated for that campaign and will disburse these funds at the direction of the Northern Rock Campaign Committee, which operates independently, subject to the basis on which they were donated. Interest on these funds is credited to campaign reserves and any expenses incurred by UKSA are matched by an equal transfer to members' reserves. From 1 January 2016 UKSA has made a service charge of £250 per quarter.

Members subscriptions are due annually in advance and are deferred over the following 12 monthly periods. The resulting deferred income is included in creditors (Note 7). All other income is accounted for on a cash basis.

	2019 £	2018 £
2 TURNOVER		
Subscriptions	20,104	21,252
Donations	2,332	1,250
European projects	1,424	1,544
Other income	-	204
	<u>23,860</u>	<u>24,250</u>

UNITED KINGDOM SHAREHOLDERS' ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS

	2019 £	2018 £
3 ADMINISTRATION & COMMUNICATIONS		
Administrative services contract	12,600	12,600
Business Centre costs	366	361
Stationery	-	17
Telecoms	183	182
Bank charges	98	94
Marketing	-	-
Legal costs	905	-
Accountancy	600	300
Other	278	64
	<u>15,030</u>	<u>13,618</u>
4 DIRECTORS & MEETINGS		
Meeting expenses	665	499
Directors' insurance	580	946
AGM (including postage & stationery)	1,405	1,325
Conference costs	-	-
	<u>2,650</u>	<u>2,770</u>
5 SERVICES		
Website	1,933	300
'The Private Investor' - editorial	-	-
'The Private Investor' - printing	1,660	1,685
'The Private Investor' - post & packing	642	764
'Better Finance' subscription	614	622
European projects	847	859
	<u>5,696</u>	<u>4,230</u>

UNITED KINGDOM SHAREHOLDERS' ASSOCIATION LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR TO 31 DECEMBER 2019

	2019 £	2018 £
6 CREDITORS - Amounts falling due within one year		
Accruals	1,131	600
Subscriptions in advance	6,816	7,222
	<u>7,947</u>	<u>7,822</u>

7 SHARE CAPITAL

The company is limited by guarantee, hence has no share capital. The liability of each member is limited to £1.

8 MEMBERS' RESERVES

Opening balance	18,042	13,410
Surplus/(deficit) for the year	1,484	4,632
Closing balance	<u>19,526</u>	<u>18,042</u>

9 NORTHERN ROCK CAMPAIGN RESERVES

Opening balance	33,326	34,260
Surplus/(deficit) for the year	(915)	(934)
Closing balance	<u>32,411</u>	<u>33,326</u>

10 RELATED PARTY TRANSACTIONS

There were no related party transactions

11 COMPANY INFORMATION

United Kingdom Shareholders' Association Ltd is a private company, limited by guarantee and incorporated in England. The company's primary contact is at its registered office, as disclosed on page 2 of these accounts. The company's business is carried out by the directors and other volunteers working locally.