Forum for the Future

Report and financial statements
For the year ended 31 December 2014
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Reference and administrative details

For the year ended 31 December 2014

Company number 2959712
Charity number 1040519
Registered office and operational address
Overseas House
19–23 Ironmonger Row
London
EC1V 3QN
www.forumforthefuture.org

Trustees
Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Alison Ball Resigned 29 April 2014
Volcker Beckers Appointed 29 April 2014
Keith Clarke Chair of Trustees
Kelvyn Derrick Appointed 29 April 2014
Sean Fox Honorary Treasurer and Chairman of the Audit and Assurance Committee
Sir John Harman Resigned 17 July 2014
Andy Hobsbawn
Kate Levick
Sara Parkin Founder Director
Jonathon Porritt Founder Director
Lucy Siegle Appointed 29 April 2014
Sarah Butler–Sloss Resigned 29 April 2014
Fiona Thompson Appointed 29 April 2014
Anita Tiessen Appointed 29 April 2014

Independent audit committee member
Sharon Martin

Company secretary Rosalyn Whaley

Senior management team
Sally Uren, Chief Executive
Stephanie Draper, Deputy Chief Executive
Peter Atfield, Interim Director, Human Resources (appointed February 2014)
David Bent, Director, Sustainable Business
Giles Bristow, Director, Programmes
Helen Clarkson, Director, US
James Goodman, Director, Futures
Esther Maughan McLachlan, Director, Communications and Networks
Rosalyn Parker, Director, Finance and Operations
Patti Whaley, Director, Resources (retired 21 February 2014)
Forum for the Future

Reference and administrative details

For the year ended 31 December 2014

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Gordon Hutchinson
Monica Kruglianskas
George Martin
Imogen Martineau
David Mason
Paul Miller
Chris Preist
Huw Robson
Ben Tuxworth
Penny Walker
Rebecca Willis
The trustees, who act as directors for the purposes of company law, present their report and audited financial statements for the year ended 31 December 2014, which have been prepared in accordance with the Statement of Recommended Practice: Reporting and Accounting by Charities, and the Companies Act 2006.

Who we are, what we do

Forum for the Future is an independent non-profit working with business, government and other organisations to solve complex sustainability challenges.

Since 1996, we've been helping organisations around the globe and across different sectors find ways to create a sustainable future: one that is practical, profitable and a pleasure to live in.

We know that we cannot tackle this challenge incrementally. Instead, we need to transform the critical systems that we all depend on – particularly food and energy – to make them fit for the future.

We call this #theBIGshift.

We meet this challenge using a rich array of techniques, including future scanning and analysis, system innovation and new strategies, business models and value networks.

Above all, we recognise the power of collaboration: we bring together organisations, governments, business and civil society, to tackle challenges that are too big for any one organisation to solve alone. We believe this is absolutely essential to make change happen at the scale and speed that’s needed.

Some of our most effective interventions take the form of these coalitions for change. With a growing and global membership network of over 130 organisations, we can spread the best ideas and practice far and wide. And thanks to the support of our partners and funders, we are increasingly able to do so.

We share what we learn from our work to help others make #theBIGshift. We do this through channels such as our Futures Centre, our Masters in Leadership for Sustainable Development, our programme of Network events and our website and social media activities.

We work around the world, with offices in London, New York, Mumbai and Singapore.

Discover our stories and what we’ve learned about building a sustainable world at forumforthefuture.org, thefuturescentre.org, or via LinkedIn, Twitter and Facebook.
“It isn’t easy. It is essential.”

We are now on the verge of a global agreement to make a decisive transition to a low-carbon economy.

If this is to be effective, it will need to unleash change at a pace and scale that will make the industrial revolution look like something that happened in slow motion.

Sustainability in its broadest sense – social, economic and environmental – has been widely recognised for some time as the morally correct path. But now it is increasingly clear that the rate at which we travel down that path is critical. The challenge of decarbonising our economy far and fast enough calls for bold, focused action. This makes Forum for the Future’s strategy of system innovation absolutely right for these times.

It doesn’t make it easy. But Forum should never choose the easy route for any of its work. So I am proud that this year has been one of significant challenges in getting traction both on our international endeavours and our system change work.

In an increasingly complex world, Forum’s focus and progress has been remarkable. I am confident that our work will continue to enable our partners to progress towards a sustainable future at a rate which they can scarcely imagine. At the same time, it is sure to present Forum itself with a constantly surprising range of complex challenges.

This is exactly the space which Forum should be occupying, with all the discomfort which such thought leadership entails. It may not be an easy path, but it is most definitely the right one.

Keith Clarke
Chair, Forum for the Future.
“Going further, going faster.”

For Forum, 2014 was quite a year.

Looking back, it’s clear that this was the year when #theBIGshift – our drive to transform critical systems such as food and energy – really began to happen.

Take Tea 2030, where we started the year by launching some scenarios for the future of our much loved cuppa. Tea is a classic example of a commodity crop whose future is very uncertain, and whose prospects for sustainability rest on getting all the key players to explore how to change the system together. So it is great to be able to report that a series of collaboration platforms are now up and running, addressing everything from market mechanisms to sustainable landscapes.

Our work on energy, too, is really starting to spark some dynamic collaborations. The Community Energy Coalition in the UK is going from strength to strength, involving over 35 civil society organisations, between them representing over 12 million citizens. We also launched Farm Power, an influential coalition of farming bodies, businesses and NGOs, who have developed a vision for sustainable farm energy. Research conducted in the run-up to the launch revealed that there is at least 10GW of untapped energy across UK farms, equivalent to three–times the installed capacity of the proposed new nuclear plant at Hinckley Point.

Which makes it potentially game changing stuff.

With business, we’ve continued to encourage our partners to go further and faster in exploring new business models. So it was great to see Novelis, the world’s largest manufacturer of sheet aluminium, open the worlds’ largest recycled aluminium plant in Germany, in a deliberate move to disrupt its supply chain and so accelerate the shift towards a circular economy.

Scaling up such success stories is vital, of course, and this was another priority for us in 2014. We launched a guide setting out ways in which the market could be harnessed to deliver collective impact at scale, and started testing this framework in a series of Scale Labs across the world.

Collaboration was a central theme of our growing work in the US. Among other initiatives, we convened a Beauty and Personal Care Summit, co-hosted with retail giants – and rivals – Target and Walmart, with a powerful remit to drive better practice around product sustainability. We also delivered Retail Horizons, a nine–month project culminating in bringing together 450 delegates at the crucial US Retail Industry Leaders Association conference to explore the future of US retail, and, most importantly, spot where the real innovation opportunities lie.
This was also the year when our work in East and South Asia really started to take off. Our Asia Pacific office, based in Singapore, went from strength to strength, delivering some great projects on some of the really critical issues for that region, including sustainable palm oil production. We are proud to have some fantastic partnerships there, such as Swire Pacific, one of the leading companies in Hong Kong with interests spanning multiple sectors.

Finally, our presence in India is also leading to some fascinating and important projects. From creating a future-proof strategy for the retail and apparel divisions of Adiyta Birla – one of India’s leading conglomerates – to working with M&S to implement Plan A in an Indian context, we are getting under the skin of how to create change in this dynamic developing economy.

So, exciting plans, exciting times! Next year – 2016 – will mark Forum’s 20th anniversary. We are immensely proud of what we have achieved over these two decades. It makes a wonderful foundation for the work you see featured in these pages. And there are two thank yous to share. First, to Forum’s staff, whose creativity and tenacity underpins all we achieve. And second, a huge and heartfelt thanks to all our Network members, partners and last but absolutely not least, our funders, for coming with us this far. We can only do our work through you, and with you. And we are looking forward to going further, faster with you in the years to come.

Dr Sally Uren
Chief Executive, Forum for the Future
2014 – the highlights of our year

The year 2014 saw Forum stage major interventions in the food and energy systems, roll out an array of sustainable business and system innovation projects, and lay the foundations for our game-changing Futures Centre. The pages that follow feature the highlights of our year.

“Forum... has played a key role in shaping the Unilever Sustainable Living Plan. As independent outsiders, they bring in new thinking and help keep us honest. Forum brings not only its intellectual power but also... the right coalitions to achieve our targets; helping us move further and faster.”  
- Paul Polman, CEO, Unilever

System innovation – the key to transformation

System innovation is the thread running through all of our work.

We recognise that if we want to create a sustainable future, we can’t just tinker around the edges. We have to transform whole systems. We have identified energy and food as being not only crucial to theBIGshift that’s required, but also as areas where we have the knowledge, experience and relationships to enable us to make a transformative difference.

In each case, we draw together key players – in business, civil society and elsewhere – to identify the barriers that are stopping these systems from being sustainable, and discover what new ideas and practices are needed to overcome them.

Together, we can come up with fresh thinking and innovation – new ideas that work – to challenge and disrupt the settled, unsustainable way of doing things, and help those we work with discover new opportunities that can arise from making the shift – and taking it to scale.

Power shift

Energy 2014

Our energy work during 2014 saw us make some significant policy interventions in the UK, and pull together players from right across the sector to come up with some exciting new ways to generate – and save – energy sustainably.

- We worked with members of our Community Energy Coalition to draft a new shared ownership model for renewables – one which brings together communities and energy developers. The CEC’s aim is “to motivate and empower communities across the UK into owning, generating and saving energy together”. We’re convinced there is massive potential here: to cut carbon, boost renewables, improve Britain’s energy security and – perhaps most exciting of all – see communities working together to foster a sense of pride in their own
resources. The coalition also ran its second “Community Energy Fortnight”, featuring 105 events across the country, attracting over 6,000 visitors and national press coverage around the UK’s first Community Energy Strategy – to which Forum and the CEC made major contributions. And we started work with communities in Northern Ireland, Australia and North America, to help develop similar coalitions there.

- Britain’s farms, too, have a huge latent energy potential – at least 10GW by our calculations: renewable power which could be used to boost rural prosperity, cut carbon and improve energy security. So we were delighted to work with a wide group of stakeholders from the National Farmers Union to the National Grid on our Farm Power project. This created a shared vision for “putting agriculture on the grid” – in other words, helping farm-based energy generators feed into the electricity network.

- In October, we launched the Big Energy Vision, an ambitious coalition which is rallying retailers, consumer groups and government to drive down UK energy consumption. Energy bills are a key financial concern for households, but many feel there’s nothing they can do about them. The Big Energy Vision is turning this on its head with the message, “now is the time to take control of your energy bills” – and give people the means to do so.

- In Leeds, we explored a Smarter Travel Package: a pilot initiative to dramatically improve consumer choice in transport by packaging bus, rail, car club and taxi as a convenient single offer – and a compelling alternative to individual car ownership. This is a first step towards wider work on creating a sustainable transport future for Britain’s cities.

- For years, the North Sea has been the focus of massive oil and gas production. As that tails off, new challenges emerge. Our Living North Sea Initiative brings together marine ecologists, the oil and gas industry, and major NGOs such as the World Wildlife Fund (WWF) and the International Union for the Conservation of Nature (IUCN) to explore how best to restore the ecosystem – and create sustainable new opportunities for the 200 million people who live and work around its coasts.

“One of the main reasons, and there are many, why Ashden chooses to work with Forum is they don’t just talk the talk; they walk the walk too. Like us, they believe in the power of showing and the power of involving, to help people see things from a different perspective in order to nurture change. Whether it is food, energy or supporting the sustainable energy heroes of the future, Forum always give 110 percent.”

– Simon Brammer, UK Programmes Manager, Ashden Trust
Cooking up a storm

Food 2014

Food – how and where we produce and consume it, and the effect this has on us and the ecosystem as a whole – is a key focus for Forum. In 2014, we delivered and launched a series of ground-breaking collaborations between widely differing parts of the sector, with the aim of achieving the kind of scale of change which none could manage on their own.

- We launched our report, *The Future of Tea – A Hero Crop for 2030*, in February. Part of our Tea 2030 project, this identified both the looming threats to the world’s most popular beverage – we drink three billion cups a day – and, more encouragingly, the opportunities to make it a sustainability leader. The report sparked widespread media coverage, including in the BBC, Guardian and Huffington Post. We took the work forward by setting up three collaborative platforms – on sustainable landscapes, sustainable market mechanisms and consumers. These drew together some of the leading players in the tea industry, including plantation owners, wholesalers, retailers and NGOs – exactly the kind of active coalition we need to affect systemic change.

- In *The Protein Challenge 2040*, announced in 2014, we are working with a wide range of players in the food sector, exploring how to balance the supply and demand of protein for a growing population in ways which are affordable, healthy and good for the environment. This collaborative effort brought together the WWF, the Global Alliance for Improved Nutrition (GAIN), Volac, Firmenich, Hersheys, Quorn, Target and Waitrose. This broad-based coalition is the very first of its kind.

- Deciding how we can best feed the world in the coming decades is a huge task. We partnered with GAIN on a 20-year horizon scan, looking out to 2034 to identify some of the key emerging challenges, helping them set long-term priorities for action.

- Many African agricultural producers lose out because they export their raw material to the developed world, rather than invest in local finished products. This has significant environmental, as well as social and economic, costs. So we worked with non-profit Value Added in Africa to research how UK brands and government could help change things, focusing initially on tea bags, roasted coffee and cotton products. Recommendations include improving access to capital, skilling up African manufacturers and creating new direct partnerships between UK brands and African producers. And we brought together producers, buyers and policymakers at a workshop in the House of Lords to test these out and plan next steps.
Forum for the Future

Report of the Board of Trustees, incorporating the Directors’ Report

For the year ended 31 December 2014

“Forum helped Forest Stewardship Council at a critical time in the evolution of our organisation. Our movement had grown organically over twenty years, but in reaching scale and mainstream acceptance, we had to make a decisive shift to strategic growth. Forum’s perspectives opened our minds to how the forest system interacts with the major global trends and challenges on the horizon, and how that interaction is likely to evolve in the coming years. We couldn’t be happier, and a consultancy relationship has quickly evolved to an authentic partnership.”

- Ian Hanna, Director of Strategic Development, Forest Stewardship Council

Bringing the future into the room

Futures 2014

Futures thinking runs throughout our work. In essence, it’s a process which analyses what’s happening now, and thinks through how trends might play out in the future. It helps us to anticipate plausible possibilities for what the future might be like, and use those insights to make better decisions today. You can see our futures work as a laboratory where business leaders and policy makers can experiment with ideas, ask “what if?” and test the impact and consequences of their decisions.

We use a range of futures techniques – from horizon scanning to scenario work – to help organisations map out some plausible operating contexts in which they will succeed or fail in the coming years. We also help them work out how they can adopt sustainability strategies which will make them resilient in the face of the coming changes they’ve identified. For many organisations, this is a revelation, bringing to light both risks and opportunities which they simply were not aware of before.

Among our key futures projects in 2014:

- **Retail Horizons** produced a highly useful toolkit to help retailers future proof their plans and decide how best to integrate sustainability into the core of their business. It emerged from a joint project with the powerful US Retail Industry Leaders Association (RILA), along with both Target and Unilever, to create some compelling scenarios for the future of the retail sector in the country. As our first major collaborative futures project in the States, this represented a major breakthrough for Forum. It was successfully launched at the RILA annual conference in Minneapolis in September, in front of an audience of 450 retailers.

- Staying with the collaborative theme, we drew on the success of Tea 2030 [see pxx] and our Fashion Futures work to launch **Cotton 2040**. Funded by C&A Foundation, this drew on views from right across the cotton value chain to build a common vision of what a sustainable cotton system could look like – and what is needed to bring it to life.
Futures work with individual businesses has great potential, too. 2014 saw the launch of our first major futures project in India, working with Aditya Birla – one of the country’s largest conglomerates – on issues facing its retail and apparel businesses running up to the year 2030.

In Asia Pacific, we worked with Sime Darby – another major Asian conglomerate – to integrate horizon scanning into their strategy cycle. In tandem with this work, we helped them embed sustainability within their Group strategy, with a particular focus on their crucial property and plantation divisions.

Investment in coastal shipping was in part a consequence of another Asian futures project, involving two Swire Group companies – China Navigation Company and Swire Pacific Offshore. This not only helped them each guide their future investment strategy, but helped place long-term sustainability in their business thinking – giving them a potential differentiator in a competitive marketplace.

"Through exploring the key factors which will influence our industry over the next 20 years, we were able to test the robustness and flexibility of China Navigation Company’s core business activities. We now have a strategic scorecard that integrates long-term trends and challenges to our business model into strategic and financial planning processes. Through the process, we have been able to identify new business opportunities, like coastal shipping, upon which we are now capitalizing."

- Tim Blackburn, Managing Director, China Navigation Company

The birth of the Futures Centre

Our futures work received a major boost in 2014 when we won funding from the Singapore Economic Development Board to establish a Futures Centre in the city state. This will enable us to invest in our systems of knowledge management and horizon scanning to provide a platform offering world class expertise on future trends and their implications for sustainability, as a freely available public resource. We have transitioned our award-winning magazine, Green Futures, into this online futures platform. On it, we will:

- Listen – for signals of change, track emerging innovations and show how trends are shaping the future landscape (a resource many platforms put behind a paywall);
- Curate – provide journalistic insight, historical context, systemic analysis, visualisations and other sense-making tools;
- Convene – bring together collaborative networks to share knowledge, opinion and spark action.

We intend this to be a primary source of intelligence and conversation around the search for a sustainable future, and we believe it will be of tremendous value to our Network and the wider public.
“Forum’s research really helped us in thinking through the strategy for our ‘Valuing the Ocean’ strand, and its systemic, solutions-orientated approach is a significant contribution in our Marine CoLABoration group.”

- Louisa Hooper, Calouste Gulbenkian Foundation

Innovation, inspiration – and disruption

Whether working with businesses, NGOs, research institutes or governments, our constant challenge is to be critical friends. We need to be seen as trusted advisors, who will always encourage our partners to push themselves out of their comfort zone, exploring innovative ways to deliver products and services sustainably.

Our Sustainable Business team, along with our System Innovation Lab, launched a series of new initiatives in 2014 aiming to do just that. In some cases this means working in depth with individual companies; in others, it means pulling businesses and other organisations together to tackle challenges that they could never hope to crack alone.

Here are some highlights:

● Over the last few decades, much sustainability work with companies has focused on reducing their negative impacts. **Net Positive** takes a much more ambitious approach, inviting businesses to commit to having a ‘net positive’ impact on society and the planet. At a stroke, this changes the conversation around sustainability, from one which focuses on simply being less bad, to one which explores ways of making the company as a whole a restorative force for good. Forum is pioneering this approach, working with WWF-UK and The Climate Group to convene a group of pioneering multinationals – Ikea, Kingfisher, Capgemini, BT, SKF, The Crown Estate and Coca-Cola Enterprises – to bring clarity to this emerging concept and produce a call to action for others to follow.

● Persuading competitors to come together to explore solutions is vital if we’re to achieve progress at the speed needed. In September, we convened two of America’s fiercest competitors – Target and Walmart – to co-host a **Beauty and Personal Care Products Sustainability Summit**. This produced workstreams on science-based criteria for assessing product sustainability, pre-competitive development of new preservatives and streamlined information-sharing across the value chain. It also demonstrated that commercial rivalry does not preclude creative collaboration.

● At the company level, we developed integrated sustainability strategies for Sri Lanka’s largest private sector employer, **MAS Holdings**, and Hong Kong’s **Swire Properties**, ensuring that they have a clear route map for becoming genuinely sustainable businesses.

● We worked with **Novelis**, one of the world’s leading aluminium companies, to better understand the challenges and opportunities of the circular economy in practice. We
supported their launch of the world’s largest aluminium recycling plant in Nachterstedt, Germany, which provided material for its pioneering range of 90% recycled aluminium. Combined with research we commissioned which revealed a strong consumer preference for high recycled content for drinks cans, this approach signalled a major breakthrough in the industry and provided a great example of sustainable value.

- We helped India’s Mahindra Sanyo embed sustainability into their day-to-day working practices by running employee engagement and training programmes – using everything from street theatre techniques to lively workshops – for their entire workforce.

- Our Sustainable Business Models Group, which comprises our most pioneering business partners, continued to be a lively and engaged forum where companies could share challenges and ambitions.

- Big business doesn’t have a monopoly on innovation. Our EU–InnovatE project is recruiting a network of 200 ‘Future Shapers’: citizen innovators from a wide range of backgrounds who share our passion for finding sustainable solutions. Funded by the European Commission, it will focus on entrepreneurial innovations in food, energy, mobility and household living. In the UK, meanwhile, we worked with University College London and Nesta to identify systemic barriers to innovation – and design a competition for ways to overcome them.

- Radically different approaches to manufacturing were the focus of our Glocal project, launched in 2014. This imagines a business model that delivers products based on the optimal use of locally-available resources that can be endlessly re-grown, re-cycled or re-used. As a first step, we are working with Ecover, along with the University of Barcelona and other experts, to explore ways of making cleaning products using local waste materials on the island of Mallorca – whose environmental sensitivity and tourist value makes it an ideal laboratory for the work.

- The Internet of Things offers huge opportunities for sustainable innovation, provided it’s accessible to all, not just the experts. We continued to develop the Internet of Things Academy (IOTA) as a joint venture with SuperFlux, before it became an independent company in late 2014. IOTA has gone on to win Innovate UK’s IoT Launchpad and is now developing a number of ventures including BuggyAir – accurate, GPS-enabled sensors on buggies that can track infant exposure to poor air quality and help parents avoid it.

- Freeing people from familiar mindsets is an essential precursor to achieving change on the scale we need. Just as the record industry was blown apart by digital disruptors like Spotify, and the car industry is struggling to come to terms with the sharing economy, so sustainability is posing a challenge to many other established players. That’s the spur for Are you future-ready? – a unique collaboration by Forum, WWF–UK, Business in the Community, SustainAbility and WRAP. It challenges businesses to examine whether their models will be disrupted by the trends heading their way – and whether they in turn can #getdisruptive, turning those trends into a business opportunity.
Meanwhile, back in the Lab…

Our work is only successful if we remain at the forefront of sustainability. That's why we run the System Innovation Lab. This is where we carry out learning experiments to explore more risky areas, building our capacity to make change happen – at scale. Because that's the key to achieving real progress – isolated breakthroughs alone can’t crack the challenge.

We worked with the Shell Foundation to better understand how scale happens. We looked at the role of market-based solutions in addressing development and sustainability challenges, and the practical ways to scale up their collective impact. Our Scaling Up Impact work, funded by the foundation, has enabled us to develop a framework for collective action and test it rigorously with over 200 organisations – including businesses and NGOs – in a series of workshops in cities across the UK, US, India and Singapore. And we are planning to apply it practically to aquaculture in Southeast Asia and decentralised energy in India, amongst other things. This will enable us to develop profound insights into creating impact at scale.

We also ensure that we learn from our work. Each year we set questions and use our projects to draw out common learning. In 2014 we collated our learning from all of our experience of bringing people together in cross-sector collaborations and shared it at our Network event, Cooking up Change, and in the Collaboration Guidebook.

We have worked with a system innovation approach for a number of years and have learnt a lot in the process. The Lab enables us to understand what we have achieved more deeply, to push the boundaries of what’s possible and share our learning in a compelling way.

“Forum for the Future has now proven its ability to help a wide range of public and private actors develop stronger, more sustainable economic systems. From an impact perspective that is no mean feat!”

- Richard Gomes, Shell Foundation
Networking for change

Our Network Members and Partners are key to Forum’s work. They are a ready and relevant audience for our expertise, and also actively share ideas and learning. And thanks to their ability to put some of these into practice, they are very much part and parcel of Forum as a whole.

During 2014, the Network grew by 12% to 137 partners and members. New joiners reflected a growing diversity too. Among them were Aster Group (affordable homes), Open Energi (smart grids), BDH Sustainability (communications agency), Sedex (supply chain data), Aggregate Industries and Arriva, along with the Global Alliance for Improved Nutrition, the Eden Project, Neal’s Yard Remedies, Novelis, Rainforest Alliance, Air New Zealand and Starbucks.

“The real value we get from our membership with Forum for the Future is having people to go to with questions. Forum is an extension of our sustainability team, in that they help us to test ideas and think things through. I also regularly scan the members’ newsletter and find useful and interesting things to click through to.”

- Ashley Taylor, Public Affairs, Direct Line Group

They enjoyed a varied programme of 35 different conferences, roundtables, drinks evenings, webinars, and seminars across three continents. For example, we ran a Cooking Up Change event in London with BUPA CEO, Stuart Fletcher, which shared our key ingredients for successful collaborations using cooking as a metaphor! It drew some of the best ever feedback we have received from event participants and on Twitter.

Other memorable events included:

- The Chief Sustainability Officer Dinner in New York – featuring some lively conversations between CSOs and high-level sustainability professionals from inside and outside Forum’s Network.


- Changing Systems, Changing the Future – a US #theBIGshift conversation, hosted jointly with Guardian Sustainable Business, on how changing the operating context for businesses can help move sustainability into the mainstream.

- System Revolutionaries – a high-profile collaboration with The Crowd at the Royal Institution, which highlighted the role stories can play in shifting systems.

- An event in Singapore with the Family Business Institute, exploring how Asian family businesses can best connect with sustainability.
In March we launched our **US Leadership Network**. This convenes practitioners within a small group of leading organisations, such as Target, PepsiCo, Unilever, Levis and Hershey’s, to help them implement their organisation’s sustainability strategy. Feedback for the network has been very positive and it continues to go from strength to strength.

“Thank you for launching the US Leadership Network. I’ve enjoyed the opportunity to hear the latest thinking about sustainable business models as our team at Target continues to focus on integrating sustainability throughout our business. Having the chance to collaborate and build relationships with others in the industry has been a rewarding experience.”

- Melissa McLean, Sustainability Manager, Target

**Sparking future leaders**

**The Masters Programme**

Our **Masters in Leadership for Sustainable Development** programme completed another successful year, launching 12 new scholars into careers where they can put into practice the thinking and expertise gained during the course. Combining face-to-face seminars, online learning and professional placements, the Forum Masters remains one of the more imaginative and practical ways to equip the bright minds of tomorrow to become true sustainability leaders.

**Scholar profile: Charlotte Jackson**

“A perfect fusion of learning, sharing and practical experience”

Charlotte had been struggling to find a professional expression for her passion for sustainability – so seized on the Masters as a once-in-a-lifetime opportunity. She found the mix of placements with academic study “a perfect fusion of learning, sharing and gaining practical experience... I learn by doing – so being thrown into placements was an immense learning curve (and one I relished).”

Charlotte has gone on to work for the Plan A sustainability team at Marks & Spencer – one of her placement hosts. To anyone contemplating the Forum Masters, Charlotte says: “If you’re passionate about sustainable development and want to supercharge yourself towards a career in the sector, then don’t hesitate. It’s the best decision I could have made.”

**Scholar profile: Andrew Adam**

“Leadership is everyone’s responsibility”

Drawn to the Masters by his family’s enthusiasm for sustainability, Andrew describes his experience as “pretty amazing” – and not without its challenges. “There’s been a lot of learning on the job, and more than a little improvisation along the way, but it’s been fascinating getting to see what makes so many different organisations tick,” he says. He enjoyed placements as varied as Kingfisher, Barclays, West Sussex County Council and the Campaign to Protect Rural England. The
experience led him to conclude: “Management is for managers, but leadership is everyone’s responsibility, and privilege. No matter what your role – even if you’re only a student on placement for six weeks – you can have a phenomenal impact on the way an organisation works, and I find that really exciting.”

Andrew now works for Sustrans Scotland, helping to kick-start projects to encourage more active travel (notably walking and cycling).

Spread the word

Sharing our own success stories – and stories of sustainable futures more widely – is central to our work.

2014 was an exciting transition year for our award-winning magazine, *Green Futures*. This has been a source of solutions and inspiration for a sustainable future since 1996. We produced our final quarterly print issues in April and July 2014, supplemented by the special editions Energy Culture, Where Science Meets Art and The Future of Brands. Sponsored by L’Oréal, this was designed as a forerunner to our new annual publication, *The Long View*, and offered us an opportunity to test aspects of the design and content. All back issues of the magazine are now freely available as PDFs at: [www.forumforthefuture.org/greenfutures/green-futures-publications](http://www.forumforthefuture.org/greenfutures/green-futures-publications)

The accumulated content and editorial expertise of *Green Futures* now sits at the heart of our Futures Centre digital platform: [www.thefuturescentre.org](http://www.thefuturescentre.org) [see pxx], which will also provide content for *The Long View* in years to come.

Meanwhile, our communications team played a critical role in the development and launch of a new digital movement supported by the World Economic Forum and some of the world’s biggest brands. Collectively ([www.collectively.org](http://www.collectively.org)) is inspiring the millennial generation to embrace sustainable living as ‘the new normal’, and creating new opportunities for brands, change agents and younger citizens to co-create sustainable lifestyle solutions together.

Founder-Director Jonathon Porritt’s latest book, *The World We Made* – a ‘future history’ told from the viewpoint of a of a teacher in 2050 who has lived through a global transition to sustainability – continued to attract media coverage and sell well following its launch in 2013.

Forum launched a lively new-look website in March, and analytics demonstrated higher levels of online engagement as a result. And 2014 also saw Forum people getting out there in the media too, with a number of flagship broadcast interviews and articles by CEO Sally Uren, Giles Bristow, David Bent, Helen Clarkson and others. Our staff were increasingly in demand for keynote speeches and conference chairing, from London to Delhi and Hong Kong to San Francisco.
2014 – Performance against KPIs

Each year we set some key objectives to ensure that the organisation is being well-managed and that we are on track to deliver the outcomes set as part of our 2010–2015 five-year strategy.

We monitor our progress through a series of key performance indicators (KPIs). Here is a summary of our progress in 2014.

Overall outcome we want to achieve by end–2015: Help innovate six new solutions which go to market, deliver tangible sustainability improvements and remove barriers to wider change.

Target for 2014: Three more projects launched; two innovations reach market (one disruptive, one financial or digital).
Progress in 2014: Significant ongoing projects, several of which have created change.
Performance against 2014 target: Green
Performance to end–2015 outcome: Green

Overall outcome we want to achieve by end–2015: Help at least three leading organisations decouple growth from environmental and social impact.
Target for 2014: Work with at least three leading companies, including two business model experiments where a service or product is delivered with decreased impact, and one initiative to help remove a barrier to decoupling by shaping the external context.
Progress in 2014: Strong progress across a range of different businesses and sectors, exceeding target.
Performance against 2014 target: Green
Performance to end–2015 outcome: Green

Overall outcome we want to achieve by end–2015: Catalyse six interventions that move major systems in a more sustainable direction.
Target for 2014: Initiate two new projects, ensure two projects have started to deliver and two have already delivered.
Progress in 2014: Good: four projects launched, three further ones starting to deliver progress and three already delivered.
Performance against 2014 target: Green
Performance to end–2015 outcome: Green

Overall outcome we want to achieve by end–2015: Establish a global presence, with international activities accounting for 50% of our overall workload at the end of the five-year strategy.
Target for 2014: 40% international workload
Progress in 2014: Successful: 41% of our income came from our international work.
Performance against 2014 target: Green
Performance to end–2015 outcome: Green
Overall outcome we want to achieve by end–2015: Forum brings organisations together for collective sustainability thought and action.
Target for 2014: A 25% increase in Network membership to 157, including 11 pioneers, 66 partners and 80 members, with a doubling of international membership (partly through launch of US Leadership Network); member satisfaction rises from 75% to 85%.
Progress in 2014: Some progress, but targets missed. Total membership at end–2014 was 137, and members’ survey was postponed, but the US Leadership Network launched.
Performance against 2014 target: Red
Performance to end–2015 outcome: Amber

Overall outcome we want to achieve by end–2015: Forum is recognised globally as a leader in sustainability thought and action, in particular in system innovation.
Target for 2014: A 10% increase in coverage in target press in target markets; refreshed website delivers 20% reduction in bounce rate and 10% increase in hits from US and Asia; raised profile of SMT members; Network survey shows Forum strongly associated with system innovation.
Progress in 2014: Strong: media coverage increased by 23%; US and Asian hits each up by over 60%; SMT members’ profile raised; website bounce rate target discarded as impossible.
Performance against 2014 target: Green
Performance to end–2015 outcome: Green

Overall outcome we want to achieve by end–2015: Organisational health: Forum is an amazing place to work.
Target for 2014: Staff survey reveals 80% as satisfied or very satisfied.
Progress in 2014: 83% staff satisfaction rate.
Performance against 2014 target: Green
Performance to end–2015 outcome: Green

Overall outcome we want to achieve by end–2015: Forum is a learning organisation.
Target for 2014: Build culture of reflection, evaluation and feedback, develop easier ways to share information and build learning into project structures: 70% of staff see themselves as having made progress towards these ends.
Progress in 2014: Some progress, but too early to evaluate properly.
Performance against 2014 target: Amber
Performance to end–2015 outcome: Amber

Overall outcome we want to achieve by end–2015: Maintained Forum’s financial viability and generated sufficient resources to allow us to take risks.
Target for 2014: Deliver £100,000 to our unrestricted reserves in the UK, and break even in the US; formally evaluate our business model and identify opportunities to build in greater resilience.
Progress in 2014: Opportunities to build greater resilience in our business model were identified and impact incorporated into the 2015 budget. Overall positive contribution to reserves in 2014, but not at budgeted levels.
Performance against 2014 target: Red
Performance to end–2015 outcome: Amber
Forum worldwide

2014 saw Forum firm up its commitment to operating internationally. We now have legal entities registered in London, Mumbai and Singapore, which together make up the ‘Forum Group’. Although our US operations – based in our New York office – legally remain part of our fiscal sponsor, Tides, we operate as one Forum across all four of our geographies.

By the end of the year, we had eight staff in our New York office, five in Singapore and three in Mumbai.

We have shared our working culture, experience and learning across all of our offices through extended working visits for staff between locations and an active secondment programme. We also bring all of our staff together once a year for team and Forum-wide away days.

In financial terms, 41% of our income during 2014 was from overseas sources.
Our management team

Forum’s day-to-day activities are led by our expert senior management team:

**Sally Uren** (CEO) @sallyuren
Sally leads Forum across all of its work, and is closely involved at a personal level in projects such as Tea2030, Retail Horizons and Net Positive – a concept which she helped nurture into being. She serves on a number of advisory boards, including for Kingfisher, Kimberly Clark and C&A Foundation, and chairs Forum’s US Board. Her down-to-earth style makes her one of the best communicators on sustainability around: she’s a regular speaker at international conferences, and contributes to everything from Management Today to the Huffington Post.

Sally joined Forum in 2002 after establishing one of the first commercial sustainability practices in the UK. But her true passion for sustainability began a long time before that, helping to clean up the Manchester Ship Canal as part of her first degree, saving heathlands for her PhD and then encouraging rainforest regeneration in the depths of Borneo as part of a post-doctoral fellowship.

**Stephanie Draper** (Deputy CEO) @SDStephDraper
Stephanie joined Forum in 2002 and has held many senior positions in that time, becoming Deputy CEO in 2013. One of the world’s leading thinkers on systems innovation, she’s an expert in applying it to real-life situations. She led Forum’s ground-breaking work on the Sustainable Shipping Initiative, and now acts as its chair. Stephanie has driven Forum’s expansion into Asia, overseeing the establishment of its offices in Singapore and Mumbai. Other projects she has led include the Community Energy Coalition and our Scaling Up Impact work. She sits on the advisory boards for various multinationals, from Firmenich to RWE, advising on their sustainability endeavours.

A keen cyclist and triathlete, before joining Forum Steph led sustainability and organisational change programmes at the Work Foundation and the Industrial Society.

**Peter Atfield** (Interim Human Resources Director)
Peter oversees Forum’s HR strategy, policies and practices, and helps ensure that Forum is working towards being a genuine learning organisation. He has 35 years’ experience in HR, including spells at Amnesty International, CLIC Sargent and ChildLine.

A keen cricketer, Peter is also a trustee of Freedom from Torture.

**David Bent** (Director of Sustainable Business) @davidbent
David leads Forum’s work with business globally, and helps business be more successful by creating a more sustainable future. He has worked with organisations as varied as O2, Aditya Birla Group, Marks and Spencer’s, Ingersoll Rand and Innovate UK, and has executive responsibility for Forum’s work in India and Sri Lanka.
A chartered accountant, David is a policy fellow at the Centre for Science and Policy at the University of Cambridge. He is a non-executive director of investment research body EIRIS. He's also a consummate guitarist and a keen yoga practitioner.

Giles Bristow (Director of Programmes) @gilesbristow
Giles oversees Forum’s strategic work to transform the food and energy systems, and, with Sally Uren, has responsibility for our fundraising activities. An environmental lawyer by training and practice in the City of London, he moved on to run Carbon Leapfrog (now PureLeapfrog) before joining Forum in 2011.

Giles has a Masters in Energy Policy and Sustainability and is a Fellow of the Energy Institute. He enjoys surfing, kitesurfing and chasing his greyhound down the beach.

Helen Clarkson (Director, Forum for the Future US) @hl_clarkson
Based in New York, Helen leads Forum’s US work, including projects on the future of retail and system change in the beauty and personal care sector. She set up the successful US Leadership Network. An accountant by training, Helen joined Forum from Médecins Sans Frontières (MSF), where she led field teams on the frontline in Pakistan, Sudan and the Democratic Republic of Congo.

James Goodman (Director of Futures) @JamesTGoodman
James leads Forum’s pioneering futures work, helping business and other organisations envision and plan for a sustainable future. An expert on a range of futures processes, James also oversees the development of Forum’s Futures Centre in Singapore.

An accomplished poet, James’s first collection, Claytown, taking its inspiration from the Cornish landscape of his youth, was published in 2011.

Esther Maughan McLachlan (Director of Communications and Networks) @esthermaughanmc
With 15 years’ experience in integrated strategic communications, Esther joined Forum in 2014 with a brief to create more impact by raising our profile worldwide and taking our Network to the next level. The Sustainable Development Commission’s first Head of Communications, more recently Esther led Sony’s multi-award-winning FuturesScapes project, exploring how technology can enable sustainable lifestyles.

Esther is a governor at the Steiner Academy free school in her home town of Frome, Somerset.

Rosalyn Parker (Director of Finance and Operations @rosparker
Ros is responsible for Forum’s finance, IT, office and legal functions, helping to keep Forum legal and solvent. She provides strategic advice to SMT and acts as Company Secretary to the Board of Trustees. She joined Forum from KPMG, having qualified as an accountant after gaining first class
honours in astrophysics at Cambridge. A spell volunteering in Africa sparked her commitment to sustainable futures.

Outside work, she’s a keen football, tennis and cricket player, pianist and rock drummer.

“A great place to work!”

At Forum, we are lucky to have some of the smartest, friendliest and most enthusiastic staff imaginable.

This not only makes working here a pleasure for the most part, it is also a big advantage when it comes to delivering excellent advice, for we can only hope to accomplish our aims if we have people who are not just super-bright experts in their field, but committed and motivated as well.

So we place tremendous emphasis on making Forum a great place to work.

We have five ‘Forum Values’ – Fun, Commitment, Co-operation and Learning, Openness and Respect: touchstones to guide how we work together. Recognising that our staff work extremely hard, we try to make sure that they have opportunities to learn, to reflect – and to take much-needed breathing space, too.

Among our initiatives with this in mind are:

● Team and staff-wide away days – combining focused strategising with a good deal of fun, bonding and relaxation
● ‘Inspiration Space’ – where staff are encouraged to take a half-a-day a month to reconnect with their personal sources of inspiration
● Sabbaticals – providing part-paid leave of up to three months after five years of service
● Flexible working – both in terms of hours and location, with a sympathetic approach to ‘time off in lieu’ after intense and prolonged bursts of work.

Each year, we carry out a staff survey. The 2014 survey showed 83% of staff were either satisfied or very satisfied, and our average staff turnover was 5.3 years.

Staff were particularly satisfied with:

● The content and nature of their work
● Scope for using their own initiative
● The extent to which their work is valued by others
● The helpfulness of colleagues
● Their line management
● Their reward package
We took a variety of steps in 2014 to improve our working environment, including:

- Formalising what must be covered in 1:1 meetings, including a wellness check-in and workload review
- Putting in place policies on learning and development, and bullying and harassment
- Setting up an Employee Assistance Programme for all staff

Further steps to be taken in 2015 include:

- Improving how we handle international working, to make sure all offices feel closely connected
- Addressing the drivers of stress
- Setting up a fairer and more robust way of assessing and rewarding individual staff members’ work
- Developing an organisational learning plan

A wealth of experience in our new trustees

In 2014, we said farewell to three long-serving trustees – Sir John Harman, Sarah Butler-Sloss and Alison Ball – to whom we are hugely grateful for all their hard work, advice and support. And we were delighted to welcome five new trustees to the Forum family: Volker Beckers, Kelvyn Derrick, Lucy Siegle, Anita Tiessen, Fiona Thompson.

Keith Clarke
Keith joined Forum’s board in 2011 and became chair in July 2012. He was formerly the chief executive of the global engineering and design consultancy, Atkins.
Keith is a chartered architect with more than 40 years’ experience in construction and engineering. He is a non-executive director for Sirius Minerals plc, Engineering UK, Future Cities Catapult and the British Standards Institute, vice president of the Institute of Civil Engineering and adviser to both Infrastructure UK and the Government of Qatar. He is an advisory board member of the Built Environment Innovation Centre at Imperial College, London, vice president of the Learned Society at the ICE, patron of the Environmental Industries Commission and has Honorary Fellowships from the Royal Academy of Engineering, the Institution of Structural Engineers and Cardiff University. Keith served as chairman of the UK Construction Industry Council (CIC) from 2008–10 after previously chairing its Health and Safety Committee. Keith was awarded a CBE in the Queen’s New Year’s Honours list 2011.

Jonathon Porritt
Jonathon is a founder-director of Forum, as well as an eminent writer, broadcaster and commentator on sustainable development. He is co-director of The Prince of Wales’s Business and Sustainability Programme, which runs seminars for senior executives around the world. He is a
non-executive director of Wessex Water, and of Willmott Dixon Holdings. He is a trustee of the Ashden Awards for Sustainable Energy and is involved in the work of many NGOs and charities as patron, chair or special adviser.

He was formerly director of Friends of the Earth (1984–90); co-chair of the Green Party (1980–83), of which he is still a member; chairman of UNED–UK (1993–96); chairman of Sustainability South West, the South West Round Table for Sustainable Development (1999–2001); a trustee of WWF–UK (1991–2005); a member of the board of the South West Regional Development Agency (1999–2008).

He stood down as chairman of the UK Sustainable Development Commission in July 2009 after nine years providing high-level advice to Government ministers. Jonathon was installed as the chancellor of Keele University in February 2012. He is also visiting professor at Loughborough University.


Jonathon received a CBE in January 2000 for services to environmental protection.

**Sara Parkin**

Sara is a founder-director of Forum, where she designed its Masters in Leadership for Sustainable Development and established key partnerships with the post-school education sector, as well as initiating the Engineers of the 21st Century initiative. Her latest book, *The Positive Deviant: Sustainability leadership in a perverse world*, was published by Earthscan in July 2010.

Sara is also chair of the Richard Sandbrook Trust, a trustee of the St Andrews Prize for the Environment and sits as a European parliament expert on the board of the European Training Foundation. In the past, she has served on boards of the Natural Environment Research Agency (2003–9), the Leadership Foundation for Higher Education (2003–9) and the Environment Agency for England and Wales (2000–6). She is an advisor to the Population and Sustainability Network and a former trustee of Friends of the Earth, Groundwork and the New Economics Foundation. A companion of both the Institution of Civil Engineers and the Institute of Energy, she was awarded an OBE in 2001 for services to education and sustainable development.

**Sir John Harman**

John was one of the original shadow board members of the Environment Agency and became its chairman in 2000, a post from which he retired in June 2008. His tenure as chairman saw fundamental reshaping of both flood risk and environmental protection policy and a significant extension of the agency’s duties at a time of sharply growing awareness of the reality of climate change.

Prior to that, he had 20 years of local government experience, 13 as leader of Kirklees Metropolitan Council, and had a leading role in the national associations of local government. He
is now a trustee of various not-for-profit organisations, and chairs the One Community Foundation and the Institute for European Environment Policy.

A graduate of Manchester University, he started his working life as a teacher of mathematics in sixth form colleges. He enjoys music and gardening and lives in Huddersfield with his wife, Sue, and has a Huddersfield Town season ticket.

John was a Forum trustee from 2007 to 2014.

**Alison Ball**
Alison has worked in sustainability for over 20 years. She works for Arup leading a portfolio of projects in city resilience, green infrastructure, renewables, community engagement, social business and social impact reporting. Until 2008, she was director at FRC Group, the Liverpool-based ground-breaking social enterprise, where her work won several awards including the Guardian’s Sustainable Business Award (2007) and ACCA/Accountabilities Best Social Report (2005 & 2003). She is currently a board member of Centrica’s Ignite Social Enterprise Investment Committee, a trustee for Landlife – the National Wildflower Centre – and board member of Nature Connected, Liverpool City Region’s Local Nature Partnership. She has an MSc in Environmental Impact Assessment.

Alison was a Forum trustee from 2006 to 2014.

**Sarah Butler-Sloss**
Sarah Butler-Sloss has been an internationally-recognised philanthropist and leader in the field of green energy for the past 20 years. She is best known for being the founder director of the Ashden Awards for Sustainable Energy, recently renamed Ashden. Ashden’s mission is to increase access to energy for the poor, reduce poverty and combat climate change. It does this by rewarding, promoting and supporting green energy champions in Asia, Africa, Latin America and the UK. Speakers at previous Ashden Awards Ceremonies have included former US Vice President Al Gore, Sir David Attenborough and Ashden’s patron, HRH The Prince of Wales.

Sarah is a regular contributor to UK and global policy debates in the field of sustainable energy. She is also an active member of the UN’s International Sustainable Energy for All Practitioner’s Network, inputting to its submission to the Rio+20 summit in Brazil in 2012.

Sarah also set up the Ashden Trust, a Sainsbury Family Charitable Trust, in 1989 and is Chair of the Trustees. The trust has initiated and supported a wide range of environmental, sustainable development and social regeneration projects in the UK and the developing world. Most recently it has been one of the leading foundations in the Europeans for Divest Invest movement. She is also a trustee of ClientEarth and is on the steering committee of Schumacher College.

Sarah was a Forum trustee from 2003 to 2014.
Sean Fox
Sean joined Forum in 2007 as a member of the Audit and Assurance Committee and was appointed a trustee in 2008 and honorary treasurer in 2009. Sean is finance director of Jas Bowman & Sons Ltd, a family-owned food manufacturing business.

He is an MBA and fellow of the ICAEW, and has previously worked in senior finance and marketing roles at the Institute of Physics, Nestlé UK Ltd, and Marks & Spencer PLC. He has also been a member of the Audit and Risk Committee of the Institute of Chemical Engineers.

Andy Hobsbawm
Andy established the first international internet agency in 1994 and was a founding director of leading British new media company Online Magic, which merged with Agency.com in 1997. As European MD then chairman from 2003–2009, Andy helped guide and was a spokesperson for Agency.com with his unique insight into the continual evolution of the interactive medium. He was recently listed among the 100 top digital influencers by Wired UK. Currently, Andy consults on digital media and serves as a non-executive director for various online businesses; most recently he co-founded the award-winning environmental group Do The Green Thing and internet software start-up Evrythng. He can also be found playing and writing music.

Kate Levick
Kate is head of government relations at the environmental charity CDP, leading work on regulatory engagement, public affairs and government fundraising in an international context. She previously worked at the UK Government Office of Climate Change helping to formulate domestic and international climate change policy, and at BP in a variety of commercial and environmental roles which included group environmental policy and strategy for low-carbon business in emerging markets. Kate has an MProf in Leadership for Sustainable Development from Forum for the Future.

Volker Beckers
As group chief executive of RWE npower from 2010–2013, Volker brings a wealth of experience in change management from the business world, which he combines with a passion for community energy as chairman of Albion Community Power. While at RWE npower, he led major change programmes and maintained a very strong focus on public and customer engagement.

Kelvyn Derrick
Over a career spanning four decades, Kelvyn has led companies across the world, in Europe, the Americas and the Far East. He’s served as chair and non-executive director in a whole range of public and private sector organisations, including Hamworthy PLC, the marine engineering and oil and gas service specialists, and the New Earth Advanced Thermal Technology Group.
Lucy Siegle
Lucy is a journalist and broadcaster who has specialised in environmental and ethical issues. A columnist for *The Observer Magazine*, she’s also a familiar face on UK television as a BBC presenter. She is the founder of the Observer Ethical Awards.

Anita Tiessen
With a strong background in communications, including for Amnesty International, Anita is deputy executive director for Unicef UK, where she oversees its activities in health, education and with local authorities, and manages its communications, brand and public affairs.

Fiona Thompson
An accountant by training, Fiona now specialises in research and advice on relations between business and government, particularly around financing issues in emerging markets and the energy sector. She is a board member and trustee of charities working in international development, education and the arts. She has lived and worked in Brazil, India and South Africa.

They join our established, cherished group of trustees – see full listing on pxx.
2015 and beyond

Our goal for 2015 and beyond is to sharpen our current strategy – to deliver system–level change – which will now roll forwards on an annual basis. The primary driver of this strategy is scanning for windows of opportunity for system innovation. Over time, we envisage an annual process where we take data from the Futures Centre and decide where we are best placed to make a difference, with a very strong focus on food and energy.

Specific goals for the immediate future include evolving our Masters Programme to make it fit for changing times in education; we envisage this will mean it integrating more closely with our Network and the Futures Centre.

Our priorities for 2015

1. Ensure projects in food and energy are aiming for system–level change. This means developing a strong diagnosis and strategy for the food and energy systems, achieving three notable system–level shifts.

2. Evolve the Network by making the most of the Futures Centre. This means developing a rigorous scanning function to inform new experiments in system change.

3. Push business as a system innovator. This means formulating the ‘system innovation journey’ and setting up a club for organisations ambitious for system change.

4. Diversify our funding sources. Securing charitable income and a strong financial base is crucial to maintaining our independence and enabling us to experiment to find the most effective ways to create change.

In addition to these four priorities, there is the standing priority to continue to internationalise, which underpins all of our work.

A focus on these priorities means we will only work with partners who share our ambition for system change and are well–placed to help make it happen. We will only work on food, energy and other projects where we have identified areas of high–change potential.

In order to deliver these external priorities, we will focus internally to:

- Improve our business model to provide greater financial resilience, adding £150,000 to our unrestricted reserves;
- Improve knowledge management basics so that our staff have easy access to all the tools they need to deliver their work effectively;
- Improve the way we monitor and reward performance, in order to become a truly high–performing organisation.
Governance and charitable objects

Forum for the Future in the UK is a registered educational charity, and a company limited by guarantee and not having share capital. Its governing documents are the Memorandum and Articles of Association. Its charitable objects are:

- To advance the education of the public in economic and social studies as they relate to individuals, communities, society at large and the planet as a whole, with special reference to their interrelationship with ecology, the natural world, health, technology, agriculture, sustainable development, philosophy and psychology;
- To promote sustainable development for the benefit of the public by:
  - The preservation, conservation and protection of the environment and the prudent use of natural resources;
  - The relief of poverty and the improvement of the conditions of life in socially and economically disadvantaged communities;
  - The promotion of sustainable means of achieving economic growth and regeneration.

The governing body of Forum is the Board of Trustees, which meets four times a year. The trustees are responsible for ensuring that Forum abides by its charitable aims, works within the law and delivers its mission effectively. They oversee the policies and objectives of Forum and ensure that the work of the organisation is monitored and evaluated effectively.

Trustees give their time voluntarily and receive no benefits from the charity, with two exceptions, Jonathon Porritt and Sara Parkin. These trustees are paid for their services as employees of Forum, with the consent of the Charity Commission. The remaining trustees are unpaid volunteers. The trustees serve for a three-year term, after which they must be re-elected. Any expenses reclaimed from the charity by the trustees are set out in Note 4 to the accounts.

The board is led by the Chair of Trustees, Keith Clarke. One trustee is elected as the Honorary Treasurer. The Honorary Treasurer, Sean Fox, leads the Audit and Assurance Committee (AAC), which meets four times a year to ensure the adequacy of Forum’s internal controls and financial management, and to consider and evaluate the work of the external auditors. The AAC membership also includes three other trustees and an independent adviser.

New trustees are appointed by the board following open advertisement and approaches to other individuals. The board maintains a list of required skills and competencies, and seeks to ensure that recruitment fills any skill gaps left by retiring trustees. New trustees receive a comprehensive induction pack, which provides an introduction to Forum and a review of the duties of trustees as defined by the Charity Commission.
The day-to-day running of Forum is delegated to the CEO, Sally Uren. She is assisted by the Senior Management Team, which at the end of 2014 was composed as follows:

- Sally Uren, CEO
- Stephanie Draper, Deputy CEO and Director of the System Innovation Programme
- Peter Atfield, Interim HR Director
- David Bent, Director of Sustainable Business
- Giles Bristow, Director of Programmes
- Helen Clarkson, Director of US Office
- James Goodman, Director of Futures
- Esther Maughan McLachlan, Director of Communications and Networks
- Rosalyn Parker, Director of Finance and Operations

During the year, Forum incorporated Forum for the Future India Private Limited, a company limited by shares. Our Singapore office, is operated out of Forum for the Future Asia Pacific Limited, a company limited by guarantee. As such, consolidated group accounts have been prepared for 2014 along with UK company accounts. In legal terms, our US office continues to operate as a project of the Tides Foundation, but in practice functions as an integral part of Forum.

Activities and public benefit

As a charity, Forum for the Future is required to demonstrate public benefit from its activities. This section sets out how it fulfils that duty.

The trustees have referred to the guidance contained in the Charity Commission’s general guidance on public benefit when reviewing the aims and objectives of Forum and planning its future activities. The trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission in determining how planned activities will contribute to the aims and objectives that have been set.

Forum aims to benefit the public by providing information about the path to a sustainable future. We achieve this aim by enabling organisations in the private and public sectors to develop products and services that are environmentally sound, economically viable and socially just, and then communicating what we learn about sustainability to the wider public.

The immediate users of our services are our partner organisations in the public and private sectors who work with us to develop more sustainable products and services. Smaller organisations can work with us by becoming Network members rather than full partners. In special cases, where we believe that a non-profit or small entrepreneurial organisation can both learn from and contribute to our Network, we discount or waive the Network fee.
We make the results of our work available to the wider public through events, publications, including *Green Futures*, our website and our Futures Centre platform which incorporates over 400 articles from our *Green Futures*’ archive and many thoroughly-researched and referenced futures trends. External media coverage of Forum activities also contributes.

In 2014, our Pioneer Partners helped us to deliver public benefit by contributing £5,000 each to two of our flagship programmes: the Masters in Leadership for Sustainable Development and our magazine *Green Futures*, including the transition of *Green Futures* into our Futures Centre.

The fees paid by our partners and sponsors enable us to make our recommendations, futures scenarios, Futures Centre content and other publications available on our website and Futures Centre platform at no charge. Forum Partners also provide work placement opportunities for our Masters’ scholars, and their financial contributions enable us to offer the Masters programme at an affordable cost. In 2014 we offered one scholarship for our course and the Leadership Trust supported Forum with a bursary enabling 12 course participants to take part in leadership training at their headquarters in Herefordshire. The graduates of this programme most often go on to work in the private and public sectors, helping other organisations deliver the benefits of sustainable development to society.

We promote sustainable development to the public through events and social media, and by gaining coverage of our projects in mainstream media in the UK and abroad. Finally, the wider public also benefits through the availability of more sustainable products and services that we develop with our partners, which enable citizens or consumers to choose a better lifestyle while reducing their environmental footprint.

**Walking the talk**

As a charity which exists to promote sustainable development, we are very keen to make sure that we ‘walk the talk’ when it comes to our environmental and social impacts.

Forum’s positive and negative impacts follow from its:

- Core activities of work with partners and others on system change;
- Operations (i.e. staff, buildings, travel and supply chain).

Our core activities generate our greatest positive impacts and are described in the Highlights of Our Year section above.

Our operations generate negative impacts (e.g. carbon emissions) but also positive ones, including enhancing our staff wellbeing.
2014 environmental report

Forum's Environmental Management System, certified to ISO14001, has now been in place for 13 years. Our EMS is deeply embedded into the culture of our organisation with all staff playing an active and enthusiastic role in the management of our waste, travel, suppliers, utilities, communications and events.

We continue to receive positive feedback from external audits by BSI and others on our efforts at managing our positive and negative environmental impacts.

Our most material environmental impact from our operations is our carbon emissions, which have increased by 20% to 357 tonnes since 2013. This is equivalent to the average emissions from 50 global citizens (http://tool.global calculator.org). The largest contributor to our carbon emissions is aviation, producing 311 tonnes of carbon during 2014 (compared to 253 tonnes for 2013). This reflects our growing international work and the fact that 40% of our revenue now comes from outside the UK.

All of our carbon emissions are offset through Climate Care, which ensures that an equivalent amount of carbon is saved or sequestered through a range of credible, socially–beneficial projects. We seek to minimise our emissions by ensuring that we only fly when absolutely necessary, using other forms of communication, such as videoconferencing, wherever possible; and by increasing the benefit of flying by arranging multiple meetings when we do have to fly.

We, like society as a whole, are wrestling with the positive impacts we create at the expense of an increasing footprint. We remain convinced that we can, over time, deliver far bigger ‘wins’ for sustainability as a whole – including carbon reduction – by having our expert staff working internationally, helping organisations in Asia and the US achieve their own #theBIGshift, than if we eschewed flying and stayed at home.

While our emissions are relatively small, they are growing at a time when the world needs to cut carbon.

As a leading sustainable development organisation we need to face this challenge head on, and in 2015 we will invite frank discussion with our Partners and within the organisation on this topic to find a solution.

Social impacts

The most material social impact from our operations is our impact on our staff. We have comprehensive policies on staff welfare, including flexible working policies and Inspiration Space.

We monitor progress through an annual staff satisfaction survey. The 2014 survey showed 83% of staff were either satisfied or very satisfied, and our average staff turnover was 5.3 years.
For Forum to be successful in creating change and developing its staff we need to be a learning organisation. Our target for 2014 was to build a culture of reflection, evaluation and feedback, develop easier ways to share information and build learning into project structures. We made some progress towards this goal but have more to do.

Risk assessment

The risk assessment policy, which is reviewed and approved annually by the board, continued to give the trustees reasonable, but not absolute, assurance that key risks are adequately managed. The policy requires that key risks are identified and ranked each year and that each identified risk is assigned to a named risk owner who constructs a risk mitigation strategy and monitors the progress of that strategy. The AAC takes the lead on reviewing the risk register; twice each year the trustees review the risks being monitored and receive reports on the implementation of the risk mitigation strategy.
Financial review and results for the year 2014

The year 2014 continued to be a challenging year economically and we are pleased to have been able to add £53k to our general reserves.

Total unrestricted income for the group increased by 7% compared to 2013. Total income only increased slightly due to the completion of one large restricted project in 2013, resulting in a 22% decrease in restricted income.

The growth in unrestricted income is primarily due to growth in our Asia Pacific and India operations which increased in the year by 337% (£364k) and 358% (£129k) respectively, with 41% of our income now being derived from overseas sources.

Forum’s total income was £4,542k (2013: £4,483k) and total expenditure for the year amounted to £4,429k (2013: £4,843k), resulting in net incoming resources of £113k (2013: net outgoing resources of £359k).

In 2013, the outgoing was due to an intended drawdown on restricted reserves, utilising restricted brought forward balances of £554,000.

Net incoming resources in 2014 comprised an unrestricted surplus of £53,000 compared to £41,000 in 2013, resulting in unrestricted Group reserves of £779,000.

Total income of £4,542,000 was derived from the following activities and regions:

Reserves policy
The reserves policy sets the minimum level of reserves at 20% of unrestricted income in order to provide sufficient resilience against working capital movements, unexpected expenditure and potential losses. The minimum level for the 2015 budget represents reserves of £1,056k, increasing thereafter in line with any overall increase in income. At the end of 2014, Forum had £853k of unrestricted reserves.

The 2015 budget aims to contribute a further £161k to unrestricted reserves (after some intended investment in overseas expansion) in order to move us towards our minimum unrestricted reserves target.

We plan to meet our minimum reserves level in the medium term.
Structure, governance and management

The statutory accounts reflect the figures for the Forum Group which includes operations in the UK, Asia Pacific and India. During 2014 we also conducted operations in the US through a fiscal sponsor, Tides. As these are not legally part of the Forum Group, they are not reflected in the group’s statutory accounts though the magnitude of our work in the US is reflected in the chart below. The combined operations of the Forum Group and the work through Tides in the US is referred to as Forum International.

Statement of directors’ responsibilities

The trustees (who are also directors of Forum for the Future for the purposes of company law) are responsible for preparing the trustees’ 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 accounting estimates that are reasonable and prudent;
- State whether applicable UK 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 charitable company will continue in operation.

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.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company’s auditors are unaware;
- 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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees as at 31 December 2014 was 11 (2013: 9). The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor
Our auditor – Sayer Vincent LLP – has expressed its willingness to continue in office, and a resolution proposing its re-appointment will be put to the forthcoming annual general meeting.

The report of the Board of Trustees has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the Board of Trustees on 16 July 2015 and signed on their behalf by:

Sean Fox, Honorary Treasurer
Grant funders and major donors

Benindi Fund
C&A Foundation
Calouste Gulbenkian Foundation
Economic Development Board Singapore
The Esmée Fairbairn Foundation
The European Commission
The Sainsbury Family Charitable Trusts
The Shell Foundation

Pioneer partners and US founder partners

Bupa
The Crown Estate
Ecover Belgium NV
Ingersoll Rand
Kimberly–Clark Europe
Kingfisher
Marks & Spencer
O2
Sky
Target Corporation
TUI Travel
Unilever

Network partners: worldwide

3M United Kingdom
Aggregate Industries
Aimia
Air New Zealand
AkzoNobel NV
Alliance Boots
Arriva
Associated British Foods
Aviva Investors
Capgemini
Carillion
Cathay Pacific
Certis Europe
The China Navigation Company
Colep
The Co-operative Group
Crest Nicholson
Delhaize Group
Diageo
EDF Energy
E. I. DuPont de Nemours and Company
Ella’s Kitchen
Firmenich SA
First Group Holdings
Friesland Campina Nederland BV
Innocent Drinks
Interface
James Finlay’s
John Lewis Partnership
Johnson Matthey
Jordans & Ryvita Company
Kyocera Document Solutions
Levi Strauss & Co
L’Oreal USA
McDonald’s
Mondelez International
News Corp UK & Ireland
Nike
Novelis
PepsiCo UK & Ireland
PHS Group
Pret A Manger
Rail Safety & Standards Board
Reckitt Benckiser
Rexam
RSA Insurance Group
Sainsbury’s Supermarkets
Sime Darby
Skanska UK
Starbucks
Swire Oilfield Services
Swire Pacific Offshore Operations
Taylors of Harrogate
Thomson Reuters Corporation
Twinings
United Biscuits UK
UCC Coffee
Volac International
Willmott Dixon
Network members: worldwide

Annie's
Armor Group
Aster Group
AVPN
Bank of America Merrill Lynch
BDH Sustainability
BioRegional
Blue and Green Tomorrow
Bowman Ingredients
British Telecommunications
Burberry
C&A
Cafédirect
The CarbonNeutral Company
Cargill
City of London
Clarks International
The Coca Cola Company
Coca-Cola Enterprises
Compassion in World Farming
Co-operative Energy
Cultura Technologies
Delphis Eco
Direct Line
eBay Europe
Eden Project
Energy Saving Trust
EnergyDeck
Fairtrade Foundation
FareShare
First Milk
FoodTrade
G Thompsons
GAIN
GlaxoSmithKline
Green Ink
GrowUp
Hammerson
Heineken UK
The Hershey Company
Hong Kong and Shanghai Hotels
IGD
Forum for the Future

Report of the Board of Trustees, incorporating the Directors’ Report

For the year ended 31 December 2014

Innovate UK
Innovia Films
Jaguar Land Rover
Julie’s Bicycle
Kellogg’s
Lafarge Tarmac
Neal’s Yard Remedies
Nice and Serious
National Union of Students
Ogilvy Earth
Open Energi
Plexus Cotton
Quintain Estates and Development
Rainforest Alliance
SC Johnson
Sedex
Tata Global Beverages
Technology Will Save Us
Tesco
Twin & Twin Trading
University College London
Virgin Unite
The Walt Disney Company
Which?
Whitworths

Other funders and collaborators

AMS Limited
BASF
Bristol City Council
British Retail Consortium
Economic and Social Research Council
Environment Agency
The European Commission
Forest Stewardship Council
Galliford Try
Golden Energy Offshore
Home Retail Group
iMADE
IMSA Amsterdam
Johnson & Johnson
Lely
Mahindra Sanyo
Forum for the Future

Report of the Board of Trustees, incorporating the Directors’ Report

For the year ended 31 December 2014

MAS Holdings
National Grid
NESTA
Orange
S&D Coffee & Tea
TH RE Administration Limited
United Utilities
uSwitch
Value Added Africa
Vodafone
Wessex Water

Green Futures partners

Amec Foster Wheeler
Arjowiggins Graphic
Ashden
Climate Care
Food and Drink Federation
Marine Stewardship Council
Pureprint Group
Skanska
WWF UK

Green Futures special edition sponsors

When Science Meets Art
Coca-Cola Enterprises
Innovate UK
Julie’s Bicycle

The Future of Brands
L’Oreal

OpenIDEO Design Challenge
Coca-Cola Enterprises
Independent auditors report

To the members of

Forum for the Future

We have audited the financial statements of Forum for the Future for the year ended 31 December 2014 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group cashflow statement and the related notes. 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).

This report is made solely to the company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the statement of trustees’ responsibilities set out in the report of the Board of Trustees, the trustees (who are also the directors of the charitable 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 auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 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 charitable company'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 report of the trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.
Independent auditors report

To the members of

Forum for the Future

Opinion on financial statements

In our opinion the financial statements:

- Give a true and fair view of the state of the group’s and the parent charitable company’s affairs as at 31 December 2014, and of the group’s 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; and
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the report of the trustees 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 requires us to report to you if, in our opinion:

- The parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company 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 trustees were not entitled to prepare the financial statements in accordance with the small companies’ regime and take advantage of the small companies’ exemption in preparing the report of the Board of Trustees and take advantage of the small companies’ exemption from the requirement to prepare a strategic report.

Jonathan Orchard (Senior statutory auditor)

Date

for and on behalf of Sayer Vincent LLP, Statutory Auditors
Invicta House, 108–114 Golden Lane, London, EC1Y 0TL

Sayer Vincent LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.
Forum for the Future

Consolidated Statement of Financial Activities (incorporating an Income and Expenditure Account)

For the year ended 31 December 2014

<table>
<thead>
<tr>
<th>Note</th>
<th>2014 Unrestricted £</th>
<th>2014 Restricted £</th>
<th>2014 Total £</th>
<th>2013 Total £</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Incoming resources</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Incoming resources from generated funds</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Voluntary income</td>
<td>84,467</td>
<td>4,724</td>
<td><strong>89,191</strong></td>
<td>274,183</td>
</tr>
<tr>
<td>Investment income</td>
<td>262</td>
<td>-</td>
<td><strong>262</strong></td>
<td>683</td>
</tr>
<tr>
<td><strong>Incoming resources from charitable activities</strong></td>
<td><strong>2</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Delivery</td>
<td>3,580,809</td>
<td>677,238</td>
<td><strong>4,258,047</strong></td>
<td>4,023,072</td>
</tr>
<tr>
<td>Communications</td>
<td>170,119</td>
<td>-</td>
<td><strong>170,119</strong></td>
<td>185,279</td>
</tr>
<tr>
<td>Other</td>
<td>24,071</td>
<td>-</td>
<td><strong>24,071</strong></td>
<td>163</td>
</tr>
<tr>
<td><strong>Total incoming resources</strong></td>
<td><strong>3,859,728</strong></td>
<td>681,962</td>
<td><strong>4,541,690</strong></td>
<td>4,483,380</td>
</tr>
<tr>
<td><strong>Resources expended</strong></td>
<td><strong>3</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Costs of generating funds:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fundraising and development</td>
<td>13,494</td>
<td>-</td>
<td><strong>13,494</strong></td>
<td>17,835</td>
</tr>
<tr>
<td><strong>Charitable activities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Delivery</td>
<td>3,617,599</td>
<td>621,332</td>
<td><strong>4,238,931</strong></td>
<td>4,553,602</td>
</tr>
<tr>
<td>Communications</td>
<td>160,047</td>
<td>-</td>
<td><strong>160,047</strong></td>
<td>257,629</td>
</tr>
<tr>
<td>Governance costs</td>
<td>16,281</td>
<td>-</td>
<td><strong>16,281</strong></td>
<td>13,498</td>
</tr>
<tr>
<td><strong>Total resources expended</strong></td>
<td><strong>3,807,421</strong></td>
<td>621,332</td>
<td><strong>4,428,753</strong></td>
<td>4,842,564</td>
</tr>
<tr>
<td><strong>Net incoming/(outgoing) resources before transfers</strong></td>
<td><strong>4</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross transfers between funds</td>
<td>325</td>
<td>(325)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net movement in funds</strong></td>
<td><strong>52,632</strong></td>
<td>60,305</td>
<td><strong>112,937</strong></td>
<td>(359,184)</td>
</tr>
<tr>
<td><strong>Reconciliation of funds</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total funds brought forward</td>
<td>725,959</td>
<td>77,986</td>
<td><strong>803,945</strong></td>
<td>1,163,129</td>
</tr>
<tr>
<td><strong>Total funds carried forward</strong></td>
<td><strong>778,591</strong></td>
<td>138,291</td>
<td><strong>916,882</strong></td>
<td>803,945</td>
</tr>
</tbody>
</table>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 14 to the financial statements.
## Balance sheets

**Company number: 2959712**

### As at 31 December 2014

<table>
<thead>
<tr>
<th>Note</th>
<th>2014</th>
<th>2013</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
</tbody>
</table>

### Fixed assets

<table>
<thead>
<tr>
<th>Description</th>
<th>2014</th>
<th>2013</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tangible fixed assets</td>
<td>56,612</td>
<td>52,624</td>
<td>56,612</td>
<td>52,624</td>
</tr>
<tr>
<td>Investments</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>56,614</td>
<td>52,626</td>
<td>56,614</td>
<td>52,626</td>
</tr>
</tbody>
</table>

### Current assets

<table>
<thead>
<tr>
<th>Description</th>
<th>2014</th>
<th>2013</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debtors</td>
<td>1,397,198</td>
<td>1,203,255</td>
<td>1,464,885</td>
<td>1,203,255</td>
</tr>
<tr>
<td>Short term deposits</td>
<td>5,507</td>
<td>5,482</td>
<td>5,507</td>
<td>5,482</td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>338,226</td>
<td>562,505</td>
<td>328,023</td>
<td>562,505</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,740,931</td>
<td>1,771,242</td>
<td>1,798,415</td>
<td>1,771,242</td>
</tr>
</tbody>
</table>

### Liabilities

<table>
<thead>
<tr>
<th>Description</th>
<th>2014</th>
<th>2013</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creditors: amounts due within one year</td>
<td>880,663</td>
<td>1,019,923</td>
<td>862,690</td>
<td>1,019,923</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>860,268</td>
<td>751,319</td>
<td>935,725</td>
<td>751,319</td>
</tr>
</tbody>
</table>

### Net assets

<table>
<thead>
<tr>
<th>Description</th>
<th>2014</th>
<th>2013</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>916,882</td>
<td>803,945</td>
<td>992,339</td>
<td>803,945</td>
</tr>
</tbody>
</table>

### The funds of the charity

<table>
<thead>
<tr>
<th>Description</th>
<th>2014</th>
<th>2013</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unrestricted funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Designated funds</td>
<td>12,202</td>
<td>14,627</td>
<td>12,202</td>
<td>14,627</td>
</tr>
<tr>
<td>General funds</td>
<td>766,389</td>
<td>711,332</td>
<td>841,846</td>
<td>711,332</td>
</tr>
<tr>
<td>Restricted funds</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In surplus</td>
<td>149,541</td>
<td>77,986</td>
<td>149,541</td>
<td>77,986</td>
</tr>
<tr>
<td>In deficit</td>
<td>(11,250)</td>
<td>-</td>
<td>(11,250)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>916,882</td>
<td>803,945</td>
<td>992,339</td>
<td>803,945</td>
</tr>
</tbody>
</table>

Approved by the directors on 16 July 2015 and signed on their behalf by

Sean Fox  
Honorary Treasurer
Consolidated cashflow statement

For the year ended 31 December 2014

RECONCILIATION OF NET INCOMING/(OUTGOING) RESOURCES TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES  

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net (outgoing)/incoming resources for the year</td>
<td>112,937</td>
<td>(359,184)</td>
</tr>
<tr>
<td>Depreciation</td>
<td>38,303</td>
<td>42,328</td>
</tr>
<tr>
<td>Interest receivable</td>
<td>(262)</td>
<td>(683)</td>
</tr>
<tr>
<td>(Increase) in debtors</td>
<td>(193,943)</td>
<td>(115,484)</td>
</tr>
<tr>
<td>(Decrease)/increase in creditors</td>
<td>(139,260)</td>
<td>212,214</td>
</tr>
<tr>
<td>Net cash (outflow) from operating activities</td>
<td>(182,225)</td>
<td>(220,809)</td>
</tr>
</tbody>
</table>

CASH FLOW STATEMENT

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net cash (outflow)/inflow from operating activities</td>
<td>(182,225)</td>
<td>(220,809)</td>
</tr>
<tr>
<td>Interest received</td>
<td>262</td>
<td>683</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>(42,291)</td>
<td>(20,234)</td>
</tr>
<tr>
<td>(Decrease) in cash</td>
<td>(224,254)</td>
<td>(240,360)</td>
</tr>
</tbody>
</table>

ANALYSIS OF CHANGES IN CASH BALANCES

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Decrease) in cash during the year</td>
<td>(224,254)</td>
<td>(240,360)</td>
</tr>
<tr>
<td>Cash balances at the beginning of the year</td>
<td>567,987</td>
<td>808,347</td>
</tr>
<tr>
<td>Cash balances at the end of the year</td>
<td>343,733</td>
<td>567,987</td>
</tr>
</tbody>
</table>

NOTES TO CASH FLOW STATEMENT

Returns on investment and servicing of finance
Interest received

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest received</td>
<td>262</td>
<td>683</td>
</tr>
</tbody>
</table>

Capital expenditure
Payments to acquire tangible fixed assets
Disposal proceeds of tangible fixed assets

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments to acquire tangible fixed assets</td>
<td>42,291</td>
<td>20,462</td>
</tr>
<tr>
<td>Disposal proceeds of tangible fixed assets</td>
<td>-</td>
<td>(228)</td>
</tr>
<tr>
<td></td>
<td>42,291</td>
<td>20,234</td>
</tr>
</tbody>
</table>
1. Accounting policies

a) Basis of accounting
   The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Companies Act 2006. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005).

   These financial statements consolidate the results of the charitable company and its wholly-owned subsidiaries Forum For The Future Asia Pacific Limited and Forum For The Future India Private Limited on a line by line basis. Transactions and balances between the charitable company and its subsidiaries have been eliminated from the consolidated financial statements. Balances between the companies are disclosed in the notes of the charitable company’s balance sheet. Separate statements of financial activities, or income and expenditure account, for the subsidiaries are not presented because they have taken advantage of the exemptions afforded by section 408 of the Companies Act 2006 and paragraph 397 of SORP 2005.

b) Income
   With the exception of voluntary income, income is credited to the statement of financial activities on a receivable basis unless it is due under contractual arrangement when it is recognised as incoming resources to the extent that the Forum has provided goods and/or services.

   Voluntary donations and gifts are credited to the statement of financial activities in the year in which they are received. Gifts are included at retail cost or valued by the donors or the directors on the basis of their worth to the charity.

c) Expenditure
   Direct charitable expenditure comprises direct expenses incurred on the defined charitable purposes of the charity and includes direct staff costs attributable to the activity and an allocation of infrastructure and support costs.

   Infrastructure and support costs are apportioned across the Forum cost centres in line with the ratio of staff costs of the cost centre in question to total staff costs, excluding the staff costs of those support cost centres that are included in the allocation. The type of costs that are allocated in this way include all office costs (rent, rates, asset hire, utilities, stationery, telephone, insurance, depreciation etc) and support cost centres (ie finance, IT, HR and office services).

   Fundraising and development costs comprise expenditure incurred by the charity in inducing others to make contributions to it and in enhancing its public image and includes direct staff costs and an allocation of infrastructure and support costs.

   Governance costs include expenditure and the cost of compliance with constitutional and statutory requirements.
d) Tangible fixed assets

Tangible fixed assets are stated at cost.

Depreciation is provided using the straight-line method at the following annual rates in order to write off each asset over its estimated useful life.

- Improvements to leasehold properties: 20% on cost
- Furniture and fittings: 20% on cost
- Computer and office equipment: 20% on cost of software and 33.33% on cost of hardware

No item of equipment is capitalised where the purchase price is less than £500. A full year of depreciation is taken in the year of acquisition. All fixed assets more than 6 years old are treated as having been disposed of in the financial statements.

e) Pensions

The charity operates a group personal pension plan which is a direct contribution scheme. Contributions are charged to the SOFA in the periods to which they relate. The charity has no liability under the scheme other than for the payment of those contributions.

f) Fund accounting

The unrestricted funds comprise those monies which may be used towards meeting the charitable objectives of the charity at the discretion of the directors.

The restricted funds are monies raised for, and their use restricted to, a specific purpose, or donations subject to donor-imposed conditions.

The designated funds are set aside at the discretion of the trustees and relate to the charity’s policy on sustainability. The Sustainability Fund is to cover additional expenditure to avoid or offset the negative environmental impact of the charity’s operations.

g) Operating leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the SOFA in the period to which they relate.
## Forum for the Future

### Notes to the financial statements

#### For the year ended 31 December 2014

2. **Incoming resources from charitable activities**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Unrestricted</td>
<td>Restricted</td>
</tr>
<tr>
<td><strong>(a)</strong></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>EU grant</td>
<td>-</td>
<td>184,546</td>
</tr>
<tr>
<td>Central government</td>
<td>191,827</td>
<td>42,517</td>
</tr>
<tr>
<td>Local and regional government</td>
<td>16,950</td>
<td>8,250</td>
</tr>
<tr>
<td>Corporate</td>
<td>3,228,861</td>
<td>41,017</td>
</tr>
<tr>
<td>Higher education</td>
<td>59,004</td>
<td>80</td>
</tr>
<tr>
<td>Not-for-profit organisations</td>
<td>180,767</td>
<td>7,550</td>
</tr>
<tr>
<td>Trusts and foundations</td>
<td>45,656</td>
<td>278,299</td>
</tr>
<tr>
<td>Publishing</td>
<td>27,463</td>
<td>-</td>
</tr>
<tr>
<td>Individuals</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other income</td>
<td>24,471</td>
<td>114,979</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,774,999</td>
<td>677,238</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Unrestricted</td>
<td>Restricted</td>
</tr>
<tr>
<td><strong>(b)</strong></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Delivery Teams:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Food</td>
<td>538,318</td>
<td>-</td>
</tr>
<tr>
<td>Energy</td>
<td>683,241</td>
<td>-</td>
</tr>
<tr>
<td>Network</td>
<td>421,985</td>
<td>-</td>
</tr>
<tr>
<td>Sustainable Business Models</td>
<td>881,133</td>
<td>-</td>
</tr>
<tr>
<td>Systems Innovation &amp; Experiments</td>
<td>532,761</td>
<td>-</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>375,939</td>
<td>42,517</td>
</tr>
<tr>
<td>Sustainable Shipping Phase 3*</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>India</td>
<td>142,876</td>
<td>-</td>
</tr>
<tr>
<td>Jonathon Porritt books</td>
<td>4,556</td>
<td>-</td>
</tr>
<tr>
<td>Rockefeller Foundation grants</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other restricted projects</td>
<td>-</td>
<td>634,721</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,580,809</td>
<td>677,238</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communications</td>
<td>170,119</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>24,071</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3,774,999</td>
<td>677,238</td>
</tr>
</tbody>
</table>

*this project was spun off into a separate, independent legal entity during 2013
### 3. Consolidated total resources expended

<table>
<thead>
<tr>
<th>Cost of generating funds</th>
<th>Delivery</th>
<th>Communications</th>
<th>Governance Costs</th>
<th>Support Costs</th>
<th>2014 Total</th>
<th>2013 Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Staff costs (Note 5)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- emoluments and social security costs</td>
<td>9,185</td>
<td>2,271,591</td>
<td>68,362</td>
<td>-</td>
<td>548,936</td>
<td>2,898,074</td>
</tr>
<tr>
<td>- other</td>
<td>-</td>
<td>28,447</td>
<td>520</td>
<td>-</td>
<td>40,966</td>
<td>69,933</td>
</tr>
<tr>
<td>Publishing</td>
<td>-</td>
<td>53,960</td>
<td>55,052</td>
<td>-</td>
<td>13,101</td>
<td>122,113</td>
</tr>
<tr>
<td>Travel and subsistence</td>
<td>-</td>
<td>157,064</td>
<td>6,372</td>
<td>822</td>
<td>15,080</td>
<td>179,338</td>
</tr>
<tr>
<td>Other costs</td>
<td>-</td>
<td>104,114</td>
<td>5,270</td>
<td>14,665</td>
<td>54,341</td>
<td>178,390</td>
</tr>
<tr>
<td>Scholars</td>
<td>-</td>
<td>36,019</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>36,019</td>
</tr>
<tr>
<td>Consultancy</td>
<td>-</td>
<td>473,078</td>
<td>1,114</td>
<td>-</td>
<td>81,765</td>
<td>555,957</td>
</tr>
<tr>
<td>Events</td>
<td>-</td>
<td>54,643</td>
<td>-</td>
<td>794</td>
<td>-</td>
<td>55,437</td>
</tr>
<tr>
<td>Recharge</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation</td>
<td>-</td>
<td>4,127</td>
<td>-</td>
<td>-</td>
<td>31,134</td>
<td>35,261</td>
</tr>
<tr>
<td>Office costs</td>
<td>-</td>
<td>38,827</td>
<td>1,374</td>
<td>-</td>
<td>258,031</td>
<td>298,232</td>
</tr>
<tr>
<td></td>
<td>9,185</td>
<td>3,221,870</td>
<td>138,064</td>
<td>16,281</td>
<td>1,043,353</td>
<td>4,428,753</td>
</tr>
<tr>
<td>Support Costs</td>
<td>4,309</td>
<td>1,017,061</td>
<td>21,983</td>
<td>-</td>
<td>(1,043,353)</td>
<td>-</td>
</tr>
<tr>
<td>Total resources expended</td>
<td>13,494</td>
<td>4,238,931</td>
<td>160,047</td>
<td>16,281</td>
<td>-</td>
<td>4,428,753</td>
</tr>
<tr>
<td>2013</td>
<td>17,835</td>
<td>4,553,602</td>
<td>257,629</td>
<td>13,498</td>
<td>-</td>
<td>4,842,564</td>
</tr>
</tbody>
</table>
4. Net incoming/(outgoing) resources for the year

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>£</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>This is stated after charging:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>38,303</td>
<td>42,328</td>
</tr>
<tr>
<td>Operating lease rentals:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>▪ property</td>
<td>135,290</td>
<td>64,250</td>
</tr>
<tr>
<td>▪ equipment</td>
<td>12,594</td>
<td>12,594</td>
</tr>
<tr>
<td>Forum for the Future Group auditors' remuneration:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>▪ audit fee – current year</td>
<td>13,500</td>
<td>10,750</td>
</tr>
<tr>
<td>▪ audit fee – prior year overaccrual</td>
<td>(1,870)</td>
<td></td>
</tr>
<tr>
<td>Forum for the Future Asia Pacific Limited auditors' remuneration:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>▪ audit</td>
<td>3,000</td>
<td>-</td>
</tr>
<tr>
<td>Directors' remuneration</td>
<td>115,923</td>
<td>109,770</td>
</tr>
<tr>
<td>Directors' reimbursed expenses</td>
<td>822</td>
<td>1,481</td>
</tr>
</tbody>
</table>

Directors' reimbursed expenses represents the reimbursement of travel and subsistence costs to 4 (2013: 4) members relating to governance.

Directors' consultancy fees and salary and reimbursed expenses incurred during the year were:

<table>
<thead>
<tr>
<th></th>
<th>Consultancy fees and salary</th>
<th>Expenses and travel costs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014</td>
<td>2013</td>
</tr>
<tr>
<td><strong>£</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alison Ball</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>John Harman</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Volker Beckers</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Sara Parkin</td>
<td>25,000</td>
<td>21,065</td>
</tr>
<tr>
<td>Jonathon Porritt</td>
<td>90,923</td>
<td>88,705</td>
</tr>
</tbody>
</table>

Contributions to the defined contribution pension scheme paid during the year were:

<table>
<thead>
<tr>
<th></th>
<th>Pension Contributions</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014</td>
</tr>
<tr>
<td><strong>£</strong></td>
<td></td>
</tr>
<tr>
<td>Jonathon Porritt</td>
<td>5,455</td>
</tr>
</tbody>
</table>

Jonathon Porritt and Sara Parkin are paid for their services as employees of Forum for the Future with the consent of the Charity Commission. Sara Parkin has chosen to opt out of pension contributions from Forum For The Future.
Staff costs and numbers

Staff costs during the year were as follows:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and wages</td>
<td>2,448,674</td>
<td>2,314,293</td>
</tr>
<tr>
<td>Social security costs</td>
<td>248,823</td>
<td>244,949</td>
</tr>
<tr>
<td>Pension contributions</td>
<td>254,210</td>
<td>250,938</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,951,707</strong></td>
<td><strong>2,810,180</strong></td>
</tr>
</tbody>
</table>

Total emoluments paid to staff were:

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>2,702,884</strong></td>
<td><strong>2,565,231</strong></td>
</tr>
</tbody>
</table>

The number of staff whose total emoluments exceeded £60,000 are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>£60,000 to £70,000</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>£70,001 to £80,000</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>£80,001 to £90,000</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>£90,001 to £100,000</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1</strong></td>
<td><strong>1</strong></td>
</tr>
</tbody>
</table>

For these 4 (2013:3) employees the total of employer contributions to the defined contribution pension scheme was

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>34,381</strong></td>
<td><strong>28,676</strong></td>
</tr>
</tbody>
</table>

The average number of employees, analysed by function, was:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct charitable purposes of the charity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Delivery</td>
<td>51</td>
<td>48</td>
</tr>
<tr>
<td>Communications</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Support</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>66</strong></td>
<td><strong>63</strong></td>
</tr>
</tbody>
</table>

6. Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.
7. **Tangible fixed assets**

<table>
<thead>
<tr>
<th></th>
<th>Improvements to Leasehold Property</th>
<th>Furniture and fittings</th>
<th>Computer and office equipment</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cost</strong></td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>At the start of the year</td>
<td>63,213</td>
<td>18,604</td>
<td>169,732</td>
<td>251,549</td>
</tr>
<tr>
<td>Additions in year</td>
<td>-</td>
<td>-</td>
<td>42,291</td>
<td>42,291</td>
</tr>
<tr>
<td>At the end of the year</td>
<td>63,213</td>
<td>18,604</td>
<td>212,023</td>
<td>293,840</td>
</tr>
</tbody>
</table>

| **Depreciation**     | £                                  | £                      | £                             | £     |
| At the start of the year | 48,513                            | 16,356                 | 134,056                       | 198,925 |
| Charge for the year  | 4,900                              | 618                    | 32,785                        | 38,303 |
| At the end of the year | 53,413                            | 16,974                 | 166,841                       | 237,228 |

| **Net book value**   | £                                  | £                      | £                             | £     |
| At the end of the year | 9,800                             | 1,630                  | 45,182                        | 56,612 |
| At the start of the year | 14,700                            | 2,248                  | 35,676                        | 52,624 |

8. **Investments**

Investments relate to two £1 shares in GF Limited set up as a trading company by the charity but which has never traded and remains dormant.

Although Forum for the Future India Private Limited was incorporated as a subsidiary company limited by shares on 25 March 2014, the allocated shares were not subscribed to until 2015. As such, there is no balance sheet investment at 31 December 2014.

Forum for the Future Asia Pacific Limited was incorporated as a company limited by guarantee on 19 November 2013. The charitable company is the sole member though holds no investment.
9. Subsidiary undertakings

The subsidiaries are used for primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. A summary of the results of each subsidiary is shown below:

**Forum For The Future Asia Pacific Ltd**

The charitable company is the sole member of Forum for the Future Asia Pacific Limited, a company limited by guarantee, registered in Singapore. The company accounts for Forum for the Future Asia Pacific Limited represent a long accounting period from 19 November 2013 to 31 December 2014 and are audited separately by RSM Chio Lim LLP. The figures are then consolidated into the Group accounts.

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>135,909</td>
<td>-</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>175,377</td>
<td>-</td>
</tr>
<tr>
<td>Gross profit</td>
<td>(39,468)</td>
<td>-</td>
</tr>
<tr>
<td>Distribution costs</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Administrative expenses</td>
<td>68,134</td>
<td>-</td>
</tr>
<tr>
<td>Other operating income</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Operating profit / (loss)</td>
<td>(107,602)</td>
<td>-</td>
</tr>
<tr>
<td>Interest payable</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Profit / (loss) on ordinary activities</td>
<td>(107,602)</td>
<td>-</td>
</tr>
<tr>
<td>Deed of covenant to parent undertaking</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Profit / (loss) for financial year</td>
<td>(107,602)</td>
<td>-</td>
</tr>
</tbody>
</table>

The aggregate of the assets, liabilities and funds was:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets</td>
<td>126,049</td>
<td>-</td>
</tr>
<tr>
<td>Liabilities</td>
<td>(233,651)</td>
<td>-</td>
</tr>
<tr>
<td>Funds</td>
<td>(107,602)</td>
<td>-</td>
</tr>
</tbody>
</table>

The charitable company accounts also include export services delivered to the Asia Pacific region, totalling income of £293,797 and a surplus of £120,576. Combined Asia Pacific operations therefore represent an income of £472,223 and a surplus of £12,974.
9. Forum For The Future India Private Limited

The charitable company owns 99.99% of the issued ordinary share capital of Forum for the Future India Private Limited, a company limited by shares and registered in India. The figures for Forum for the Future India Private Limited are based on management accounts as the first year end is not until the 31 March 2015.

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>71,767</td>
<td>-</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>55,894</td>
<td>-</td>
</tr>
<tr>
<td>Gross profit</td>
<td>15,873</td>
<td>-</td>
</tr>
<tr>
<td>Distribution costs</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Administrative expenses</td>
<td>7,696</td>
<td>-</td>
</tr>
<tr>
<td>Other operating income</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Operating profit / (loss)</td>
<td>8,177</td>
<td>-</td>
</tr>
<tr>
<td>Interest payable</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Profit / (loss) on ordinary activities</td>
<td>8,177</td>
<td>-</td>
</tr>
<tr>
<td>Deed of covenant to parent undertaking</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Profit / (loss) for financial year</td>
<td>8,177</td>
<td>-</td>
</tr>
</tbody>
</table>

The aggregate of the assets, liabilities and funds was:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets</td>
<td>83,325</td>
<td>-</td>
</tr>
<tr>
<td>Liabilities</td>
<td>(75,148)</td>
<td>-</td>
</tr>
<tr>
<td>Funds</td>
<td>8,177</td>
<td>-</td>
</tr>
</tbody>
</table>

The charitable company accounts also include export services delivered to the India region, totalling income of £93,609 and a deficit of £36,249. Combined India operations therefore represent an income of £165,376 and a deficit of £28,072.

10. Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross income</td>
<td>4,310,045</td>
<td>4,483,380</td>
</tr>
<tr>
<td>Results for the year</td>
<td>198,392</td>
<td>(359,184)</td>
</tr>
</tbody>
</table>
Forum for the Future

Notes to the financial statements

For the year ended 31 December 2014

11. Debtors

<table>
<thead>
<tr>
<th></th>
<th>The group 2014</th>
<th>The group 2013</th>
<th>The charity 2014</th>
<th>The charity 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Programme income receivable</td>
<td>1,194,449</td>
<td>990,730</td>
<td>971,310</td>
<td>990,730</td>
</tr>
<tr>
<td>Other debtors and prepayments</td>
<td>202,749</td>
<td>212,525</td>
<td>493,575</td>
<td>212,525</td>
</tr>
<tr>
<td></td>
<td>1,397,198</td>
<td>1,203,255</td>
<td>1,464,885</td>
<td>1,203,255</td>
</tr>
</tbody>
</table>

12. Creditors: amounts due within one year

<table>
<thead>
<tr>
<th></th>
<th>The group 2014</th>
<th>The group 2013</th>
<th>The charity 2014</th>
<th>The charity 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade creditors</td>
<td>121,647</td>
<td>84,243</td>
<td>113,424</td>
<td>84,243</td>
</tr>
<tr>
<td>Other creditors and accruals</td>
<td>190,478</td>
<td>252,672</td>
<td>187,478</td>
<td>252,672</td>
</tr>
<tr>
<td>Deferred income</td>
<td>568,538</td>
<td>683,008</td>
<td>561,788</td>
<td>683,008</td>
</tr>
<tr>
<td></td>
<td>880,663</td>
<td>1,019,923</td>
<td>862,690</td>
<td>1,019,923</td>
</tr>
</tbody>
</table>

13. Analysis of group net assets between funds

<table>
<thead>
<tr>
<th></th>
<th>Restricted funds</th>
<th>Designated funds</th>
<th>General funds</th>
<th>Total funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tangible fixed assets</td>
<td>-</td>
<td>-</td>
<td>56,612</td>
<td>56,612</td>
</tr>
<tr>
<td>Investments</td>
<td>-</td>
<td>-</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Net current assets</td>
<td>138,291</td>
<td>12,202</td>
<td>709,775</td>
<td>860,268</td>
</tr>
<tr>
<td>Net assets at the end of the year</td>
<td>138,291</td>
<td>12,202</td>
<td>766,389</td>
<td>916,882</td>
</tr>
</tbody>
</table>
## 14. Movements in funds

<table>
<thead>
<tr>
<th></th>
<th>At the start of the year</th>
<th>Incoming resources</th>
<th>Outgoing resources</th>
<th>Transfers</th>
<th>At the end of the year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Restricted funds:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Delivery:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Masters Programme</td>
<td>27,986</td>
<td>173,100</td>
<td>(179,972)</td>
<td>-</td>
<td>21,114</td>
</tr>
<tr>
<td>Bristol Project</td>
<td>-</td>
<td>-</td>
<td>322</td>
<td>(322)</td>
<td>-</td>
</tr>
<tr>
<td>EU Innovate</td>
<td>-</td>
<td>184,546</td>
<td>(68,421)</td>
<td>-</td>
<td>116,125</td>
</tr>
<tr>
<td>Calouste Gulbenkian - North Sea Futures</td>
<td>-</td>
<td>50,000</td>
<td>(43,198)</td>
<td>-</td>
<td>6,802</td>
</tr>
<tr>
<td>Calouste Gulbenkian - CoLaB</td>
<td>-</td>
<td>8,000</td>
<td>(2,500)</td>
<td>-</td>
<td>5,500</td>
</tr>
<tr>
<td>Calouste Gulbenkian - Marine Mapping</td>
<td>-</td>
<td>-</td>
<td>3</td>
<td>(3)</td>
<td>-</td>
</tr>
<tr>
<td>Rockefeller Scanning</td>
<td>-</td>
<td>-</td>
<td>(7,009)</td>
<td>-</td>
<td>(7,009)</td>
</tr>
<tr>
<td>Rockefeller - Urban Challenge</td>
<td>-</td>
<td>-</td>
<td>(4,241)</td>
<td>-</td>
<td>(4,241)</td>
</tr>
<tr>
<td>C&amp;A Foundation</td>
<td>-</td>
<td>39,799</td>
<td>(39,799)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Shell Foundation</td>
<td>-</td>
<td>100,000</td>
<td>(100,000)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Esmee Fairbairn</td>
<td>-</td>
<td>80,000</td>
<td>(80,000)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>EDB Grant</td>
<td>-</td>
<td>42,517</td>
<td>(42,517)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Future Pin</td>
<td>50,000</td>
<td>4,000</td>
<td>(54,000)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total restricted funds</strong></td>
<td>77,986</td>
<td>681,962</td>
<td>(621,332)</td>
<td>(325)</td>
<td>138,291</td>
</tr>
<tr>
<td><strong>Unrestricted funds:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Designated funds:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sustainability Fund</td>
<td>14,627</td>
<td>-</td>
<td>(2,425)</td>
<td>-</td>
<td>12,202</td>
</tr>
<tr>
<td><strong>Total designated funds</strong></td>
<td>14,627</td>
<td>-</td>
<td>(2,425)</td>
<td>-</td>
<td>12,202</td>
</tr>
<tr>
<td><strong>General funds</strong></td>
<td>711,332</td>
<td>3,859,728</td>
<td>(3,804,996)</td>
<td>325</td>
<td>766,389</td>
</tr>
<tr>
<td><strong>Total unrestricted funds</strong></td>
<td>725,959</td>
<td>3,859,728</td>
<td>(3,807,421)</td>
<td>325</td>
<td>778,591</td>
</tr>
<tr>
<td><strong>Total funds</strong></td>
<td>803,945</td>
<td>4,541,690</td>
<td>(4,428,753)</td>
<td>-</td>
<td>916,882</td>
</tr>
</tbody>
</table>

### Purposes of restricted funds
The restricted funds are monies donated to Forum for the Future for specific purposes only. Their purposes include running a Masters Programme in Leadership for Sustainable Development.

### Funds in deficit
The restricted funds in deficit are on projects run out of the US office. As the deficits are due to overruns in that office, these will be covered by US reserves when those operations are incorporated into the Forum Group in 2015.

### Purposes of designated funds
The sustainability fund is to cover additional expenditure to avoid or offset the negative environmental impact of the Forum for the Future's operations.
15. Operating lease commitments

The group and charity had annual commitments at the year end under operating leases expiring as follows:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1 year</td>
<td>-</td>
<td>6,250</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>1 - 2 Years</td>
<td>3,950</td>
<td>-</td>
<td>12,594</td>
<td>-</td>
</tr>
<tr>
<td>2 - 5 Years</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>12,594</td>
</tr>
<tr>
<td>Over 5 years</td>
<td>131,340</td>
<td>58,000</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td><strong>135,290</strong></td>
<td><strong>64,250</strong></td>
<td><strong>12,594</strong></td>
<td><strong>12,594</strong></td>
</tr>
</tbody>
</table>

16. Grants to connected organisations

In previous years Forum for the Future made grants to the Tides Foundation in the United States of America for the purpose of funding the establishment of a Forum US office in New York. The Tides Foundation is the fiscal sponsor for our US activities. The grants in previous years covered set up costs and the initial salary costs of US staff. In the long term the intention is for the US office to apply for status as an independent non-profit organisation and become a wholly-owned subsidiary of Forum for the Future. The US office received income of $627,516 (2013: $808,847) during the year. Due to large invoices not being raised until January 2015, at 31 December the US office held a cash balance of $15,936 (2013: $199,344). At present Forum for the Future are owed £165,111 (2013: £132,100) from the US office.

17. Related party transactions

Jonathon Porritt is a non-executive director of Willmott Dixon Ltd, from whom income of £19,000 was received during the year (2013: £16,379) and is also a Trustee of the Ashden Awards for Sustainable Energy, from whom income of £5,750 was received in 2014 (2013: £0).

Sarah Butler-Sloss is a trustee of The Ashden Trust, from whom income of £0 received during the year (2013: £20,750).