

Annual Report and Financial Statements 2020

Charity Reg No: 1113133
Company Reg No: 5570327

Annual Report and Financial Statements 2020

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Reference and Administrative Details

Charity Name: The U Foundation

Registered Office: BVM House
Trinity Lane
Hinckley
Leicestershire
LE10 0BL

Company Reg Number: 5570327

Directors: Sarah Elton
Barbara Fletcher
Harsad Chikhlia

Charity Reg Number: 1113133

Trustees: Sarah Elton (Chair and Charity Administrator)
Barbara Fletcher (Secretary)
Shelagh Thomson
Robert John Beare
Harsad Chikhlia
Charles Gwillim

Independent Examiner: Jonathan Read

Structure, Governance and Management

The U Foundation is a UK registered charity and a company limited by guarantee, as defined by the Companies Act 2006. The U Foundation is governed by its Memorandum and Articles of Association, drawn up on 21 September 2005.

The U Foundation gained charity status on 01 March 2006 and complies with the Charities Act 2011.

Objects of the Charity:

To provide relief from poverty, sickness, and distress in any part of the world and in particular the continent of Africa, and in furtherance of this object to provide relief by the provision of facilities of all kinds, support services and equipment generally calculated to reduce the need, hardship, or distress of such persons, and to promote awareness of poverty in Africa and elsewhere generally.

Trustees

New trustees are advised of their obligations under charity law. Trustees are re-appointed at the Annual General Meeting and meet quarterly for business. They must be committed to the aims and objectives of the charity. Trustees delegate the day to day running of the organisation to the Charity Administrator but should be prepared to give their time willingly to support the running of the Charity.

Objectives and Activities

Public Benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commissions general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

The purpose of The U Foundation is the provision of relief from poverty, sickness, and distress, in particular on the continent of Africa.

The principal aim is to provide the tools to educate and empower communities so that they can develop sustainably. The main activities include the ongoing support and development of specific rural schools, pupil sponsorship and the provision of freshwater through boreholes.

Achievements and Performance

2020 proved a challenging year all round. The Covid-19 pandemic halted almost all fundraising events, at a time when the need for community support was at an all-time high. Restrictions on worldwide travel meant no visits could be made to oversee projects supported by The U Foundation, although strong communication links remained.

Siankaba Community Trust, Southern Province, Zambia

At the beginning of 2020, there were a total of 104 pupils on the school register, an increase of 20 from the previous year. These included reception and nursery classes as well as grades 1 – 4.

As a result of the pandemic, schools closed in Zambia at the end of March 2020, for over 6 months. During this time the school remained a hub for the community. School staff, with support from The U Foundation, arranged regular soap and seed distributions, helping to keep everyone safe and with a means of feeding their families. So many had seen their livelihoods crushed, leaving many without a regular income, the impact of the pandemic being felt by everyone.

Work on the new buildings continued and four new classrooms were completed, ready for when the pupils returned to their studies. All four teachers' houses were also finished, as well as renovations to the original teacher's house, initially built ten years ago. In addition, the school was connected to the mains power grid, with all classrooms and teachers houses having access to electricity.

Upon schools reopening, the teaching staff worked well together and helped create a happy and safe environment for the children. The feeding programme of a hot meal a day continued and is still considered to be one reason for high attendance rates.

As the Siankaba Community Trust School receives no financial support from the Zambian government, The U Foundation is looking at ways to increase income with the Sponsor a Child programme aiming to increase its sponsors to provide a more regular, reliable income.

Charity Begins at Home

Our support in Mfuwe in the Eastern Province of Zambia continues although our work this year has been limited. We have continued to support the student sponsorship programme as well as the production and distribution of a charity calendar, raising awareness and funds for local schools and community development.

Fundraising activities

Plans for fundraising cycle challenges were put on hold during 2020. It became evident that both domestic and overseas travel could not easily be planned or carried out.

Future Plans

Links to the Siankaba Community Trust and Charity Begins at Home remain strong, so it is important to continue supporting the education projects already committed to. Our main focus continues to be the expansion programme at Siankaba Community Trust School. Once completed, it is expected that the financial burden will be reduced to running costs and maintenance issues. Funds will be set aside as a contingency or for additional development that has not yet been accounted for.

The U Foundation believes that remaining a small charity allows relationships with donors to be more personal. With no salaries to pay or large overheads, donors can be confident that the money they pledge, gets to where it needs to.

The U Foundation will continue to work with both Siankaba Community Trust and Charity Begins at Home and offers support in the form of educational sponsorship wherever funds allow.

Fundraising activities such as cycle events remain on the agenda, although the current climate has proven fundraising events more challenging than ever to plan.

Financial Review

Income

For the reporting period, The U Foundation's income totalled £70,354 whilst expenditure totalled (£77,823), resulting in a deficit of (£7,469) for the year. The charity's cash reserves were £221,282 at year-end. This is a significant figure with a large portion of these funds restricted for future plans at school projects in Zambia.

Of the total income, £16,825 was received in general donations, £6024 from the 'Sponsor a Child' programme and £3639 was received in gift aid, both from direct applications and through online giving.

Of the total income, £4641 was from fundraising events (largely the charity gig early in the year). No cycle challenge events took part although £13,194 was received from previous cycle events, reducing the amount in outstanding debtors.

Funds held as custodian trustees on behalf of others

A total of £36,491 of the income was held by TUF as custodian trustees on behalf of others during the accounting period. £31,911 was received on behalf of Conservation South Luangwa (CSL) and £4580 was received on behalf of Time and Tide Foundation.

Expenditure

The total expenditure amounted to £77,823, the majority of which relates to grants payable. Of this, £35,249 was paid to the Siankaba Community Trust, to cover school running costs, building work/renovations, pupil sponsorship and community support. The remaining grants payable were to those charities for which we acted as custodian trustees. £1283 was sent to the Charity Begins at Home sponsorship programme.

The charity holds a reserves policy ensuring sufficient funds are maintained to enable the charity to carry out its activities. In the coming years, there will continue to be costly developments at Siankaba which will require a large injection of funds, as well as increased running costs.

Although the charity's income does not require a risk management statement, The U Foundation has in place a risk management policy in order to mitigate potential risks. In addition, robust financial controls are in place, ensuring finances and resources are properly managed and used effectively.

The charity has limited overheads, with the charity administrator's salary and expenses being paid by a local business. Day to day running costs amounted to £1300 for the period.

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Registered number
5570327

Charity number
1113133

The U Foundation Limited
(A company Limited by Guarantee)

Report and Unaudited Accounts

31 December 2020

The U Foundation Limited
Company Information

Directors

H Chikhlia
Mrs S L Elton
Mrs B A Fletcher

Secretary

H Chikhlia

Accountant

JCR Bookkeeping Services
21 Kingsway
Leicester
LE3 2JL

Bankers

Barclays Bank Plc
Town Hall Square
Leicester
LE1 9AA

Registered office

BVM House
Trinity Lane
Hinckley
Leicestershire
LE10 0BL

Registered number

5570327

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1113133

The U Foundation Limited
Registered number: 5570327
Directors' Report

The directors present their report and accounts for the year ended 31 December 2020.

Objectives and activities

The U Foundation Limited, is limited by guarantee (number 5570327) and a registered charity (number 1113133). Its principal address and its registered office address is BVM House, Trinity Lane, Hinckley, Leicestershire LE10 0BL.

The company's objects and principal activity during the year continued to be the provision of relief from poverty, sickness and distress in any part of the world and in particular, the continent of Africa and to promote awareness of poverty in Africa and elsewhere generally.

Directors

The directors of the charitable company are its trustees for the purpose of charity law and throughout this report are collectively referred to as directors.

The following directors served during the year:

Mr H Chikhlia

Mrs S L Elton

Mrs B A Fletcher

The charitable company is limited by guarantee and has no share capital. In the event of the company being wound up, members are required to contribute an amount not exceeding £10.

Risk management

The directors have a risk management strategy which includes an annual review of the risks the charity faces and the establishment of systems and procedures to mitigate those risks and implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

Review of activities for the year

The charity reported a deficit of (£7,469) for the year (2019: (£22,217)).

The detailed results are set out in the attached financial statements.

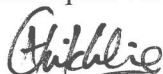
Reserves policy

The directors aim to ensure that sufficient funds are maintained to enable the company to carry out its activities.

Small company provisions

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

This report was approved by the board on 23 September 2021 and signed on its behalf



H Chikhlia

Director

The U Foundation Limited

Independent Examiner's Report to the Trustees of The U Foundation Limited

I report on the accounts of The U Foundation Limited for the year ended 31 December 2020, which are set out on pages 4 to 7.

Respective responsibilities of trustees and examiner

The Charity's trustees are responsible for the preparation of the accounts. The Charity's trustees consider that an audit is not required for this year (under section 43(2) of the Charities Act 1993) and an independent examination is needed.

It is my responsibility to: examine the accounts (under section 43(3)(a) of the 1993 Act); to follow the procedures laid down in the General Directions given by the Charity Commissioners (under Section 43(7)(b) of the 1993 Act); and to state whether particular matters have come to my attention.

Basis of independent examiners report

My examination was carried out in accordance with General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanation from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiners's statement

In connection with my examination, no matter has come to my attention: i) which gives me reasonable cause to believe that in any material respect the requirements to keep accounting records in accordance with section 41 of the 1993 Act; and to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 1993 Act, have not been met; or
ii) to which, in my opinion, attention should be drawn in order to enable proper understanding of the accounts to be reached.



JC Read BA (Hons) ASIP Dip PFS
JCR Bookkeeping Services
21 Kingsway
Leicester
LE3 2JL

23 September 2021

The U Foundation Limited
Statement of Financial Activities
for the year ended 31 December 2020

	Notes	2020 £	2019 £
Incoming resources			
Income from charitable activities and generated funds		70,354	89,131
Resources expended			
Fundraising and direct charitable activities			
Costs		<u>(77,823)</u>	<u>(111,348)</u>
Net incoming resources		<u>(7,469)</u>	<u>(22,217)</u>
Other recognized gains/(losses)		=	=
Net incoming resources for the financial year		<u>(7,469)</u>	<u>(22,217)</u>

The U Foundation Limited
Balance Sheet
as at 31 December 2020

	Notes	2020	2019
Current assets			
Debtors	2	21,789	34,983
Prepayment		-	3,416
Cash at bank and in hand		<u>224,435</u>	<u>215,557</u>
		246,224	253,956
Creditors: amounts falling due within one year	3	-	(263)
Net current assets		246,224	253,693
Net assets		<u>246,224</u>	<u>253,693</u>
Reserves			
General Accumulated Funds	4	246,224	253,693
Net funds		<u>246,224</u>	<u>253,693</u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 and that members have not required the company to obtain an audit in accordance with section 476 of the Act.

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

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies' regime.



H Chikhlia
Director

Approved by the board on 23 September 2021

The U Foundation Limited
Notes to the Accounts
for the year ended 31 December 2020

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The accounts have also been drawn up in accordance with the Statement of Recommended Practice (SORP) - "Accounting and Reporting by Charities" issued by the Charity Commissioners in England and Wales.

Income

All incoming resources, including donations, gifts and grants are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Income receivable under gift aid includes the related income tax recoverable. Investment income comprising interest receivable is included when receivable.

Expenditure

Expenditure is accounted for on an accruals basis inclusive of the irrecoverable VAT, which is aggregated to the cost to which it relates.

Fund accounting

Funds comprise unrestricted funds which are available for use at the discretion of the directors in furtherance of the general objectives of the charity.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating results.

2. Debtors	2020	2019
	£	£
Other debtors	<u>21,789</u>	<u>34,983</u>
3. Creditors: amounts falling due within one year		
Other creditors	<u>-</u>	<u>263</u>
4. General funds		
At 1 January 2020	253,693	
Surplus(deficit) for the year	(7,469)	
At 31 December 2020	<u>246,224</u>	

The U Foundation Limited
Notes to the Accounts
for the year ended 31 December 2020

5. Trustee remuneration

No trustees received any remuneration or reimbursed expenses during the year.

6. Controlling party

In the opinion of the directors, given the structure of the company, there is no ultimate controlling party.

Income and Expenditure Account
for the year ended 31 December 2020
for the information of the directors only

	2020 £	2019 £
Incoming Resources	70,354	89,131
Resources Expended	(77,823)	(111,348)
	(7,469)	(22,217)
Net Incoming Resources	<u>(7,469)</u>	<u>(22,217)</u>

The U Foundation Limited

Schedule to the Income and Expenditure Account

for the year ended 31 December 2020

for the information of the directors only

	2020	2019
Incoming Resources		
Donations (note 1)	65,451	52,256
Fund raising events (note 2)	4,641	36,270
Bank interest	262	605
	<u>70,354</u>	<u>89,131</u>
Resources Expended		
Fundraising activities (note 3)	360	24,752
Grants payable (note 4)	73,012	84,577
Accountancy and administration fees	342	213
Bank charges	48	80
Insurance	718	920
School Resources-	-	25
Stationary	-	160
Misc (Website/IT)	3,343	621
	<u>77,823</u>	<u>111,348</u>

The U Foundation Limited
Schedule to the Income and Expenditure Account
for the year ended 31 December 2020
for the information of the directors only

	2020	2019
	£	£
Note 1 : Donations		
Donations received	16,825	16,622
Gift Aid income tax	3,639	8,008
Sponsor a Child	6,024	4,965
Online Platform sales	367	-
Time & Tide	4,580	3,335
CSL	31,911	18,929
Siankaba Xmas	1,727	-
Calendars	<u>378</u>	<u>397</u>
	<u>65,451</u>	<u>52,256</u>
 Note 2 : Fundraising Events		
London to Paris cycle challenge	-	19,054
Paris Walk	-	50
Charity Gig	2,236	-
S to Vienna 20	100	-
Four Countries	1,600	16,850
London Marathon	<u>705</u>	<u>316</u>
	<u>4,641</u>	<u>36,270</u>
 Note 3 : Fundraising Activities		
London to Paris cycle challenge	-	11,580
London Marathon	-	396
Charity Gig	360	-
Four Countries	<u>-</u>	<u>12,776</u>
	<u>360</u>	<u>24,752</u>
 Note 4: Grants payable		
CSL (formerly SLCS)	31,910	19,104
Siankaba Community Trust – Zambia	35,249	59,898
Time & Tide	4,570	3,710
Charity Begins At Home Sponsorship programme	<u>1,283</u>	<u>1,865</u>
	<u>73,012</u>	<u>84,577</u>