



## Annual Report and Financial Statements 2021

Charity Reg No: 1113133  
Company Reg No: 5570327



# **Annual Report and Financial Statements 2021**

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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  
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**

With the Covid-19 pandemic still affecting the lives of everyone worldwide, 2021 was another challenging year. All in-person fundraising events were put on hold and further restrictions on travel meant that no visits could be made to oversee projects supported by The U Foundation. During this time strong communication links remained in place and regular supporters kept updated.

### **Siankaba Community Trust, Southern Province, Zambia**

The pandemic continued to disrupt much of the school year, with schools closed for lengthy periods under government guidance. Once fully operational the school saw numbers grow to 121 pupils, an increase of 17 from the previous year. These included reception and nursery classes as well as grades 1 – 5. There were a total of 8 teachers and support staff. The new school buildings were occupied, with a classroom to house each year group. The feeding programme continued to be one of the most important aspects of the school day, particularly during this period where household incomes had been significantly affected. Support for the community continued through this difficult time with the provision of soap, masks and seeds.

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**

Support in Mfuwe in the Eastern Province of Zambia continued on a limited scale. This included supporting the student sponsorship programme and distribution of a charity calendar, raising awareness and funds for local schools and community development.

### **Fundraising activities**

Once again, fundraising cycle challenges were put on hold, mainly due to potential travel disruption and the impact of the pandemic. Instead, a virtual London to Lusaka event was held during August. With some fine tuning this could become a regular feature in the fundraising calendar.

## **Future Plans**

Focus continues to be the expansion programme at Siankaba Community Trust to complete the primary school and teachers' accommodation. Once all structures are complete, it is expected that the financial burden will be reduced to running costs and maintenance. Funds will be set aside as a contingency or for additional development that has not yet been accounted for.

Links to Charity Begins at Home also remain strong, and we will endeavour to support the community in the South Luangwa where possible.

As a small charity we are able to retain personal relationships with both donors and beneficiaries. 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 to offer 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 £27,997 whilst expenditure totalled (£21,583), resulting in a surplus of £6,414 for the year. The charity's cash reserves were £221,992 at year-end. These funds will largely be used for future plans at school projects in Zambia.

Donations in general were significantly down during the accounting period. Mention should be made to acknowledge £6500 income from the 'Sponsor a Child' programme and £10,113 received specifically for the Siankaba Community Trust. £750 was received in gift aid.

Fundraising events brought in a total of £2958 of which £2688 was from an online virtual event. No cycle challenge events took part during this accounting year.

### **Funds held as custodian trustees on behalf of others**

A total of £4170 of the income was held by TUF as custodian trustees on behalf of others during the accounting period. £2810 was received on behalf of Conservation South Luangwa (CSL). It is CSL's mission 'to work with community and conservation partners in the protection of the wildlife and habitats of the South Luangwa

ecosystem'. As restricted funds, these donations were communicated to CSL and documented. These monies were transferred during this accounting period. £1360 was received on behalf of Time and Tide Foundation to be ringfenced and held as restricted funds towards their Kapani School Project in Mfuwe. Time and Tide Foundation 'aim to give education to children who would otherwise not be able to go to school'. These funds were transferred during this accounting period.

### Expenditure

The total expenditure amounted to £21,583, the majority of which relates to grants payable. Of this, £14,752 was paid to the Siankaba Community Trust, to cover school running costs, building work/renovations, pupil sponsorship and community support. £1075 was sent to the Charity Begins at Home sponsorship programme. The remaining grants payable were to those charities for which we acted as custodian trustees. (CSL £2810, Time and Tide £1360)

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 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 £1586 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 2021



**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

**Charity number**

1113133

**The U Foundation Limited**  
**Registered number: 5570327**  
**Directors' Report**

The directors present their report and accounts for the year ended 31 December 2021.

**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 surplus of £6,414 for the year (2020: (£7,469)).  
The detailed results are set out in the attached financial statements.

**Reserves policy**

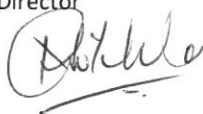
The directors aim to ensure that sufficient funds are maintained to enable the company to carry out its activities.

**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 20 September 2022 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 2021, 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 examiner'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

**20 September 2022**

**The U Foundation Limited**  
**Statement of Financial Activities**  
**for the year ended 31 December 2021**

	Notes	2021 £	2020 £
<b>Incoming resources</b>			
Income from charitable activities and generated funds		27,997	70,354
<b>Resources expended</b>			
Fundraising and direct charitable activities			
Costs		(21,583)	(77,823)
<b>Net incoming resources</b>		6,414	(7,469)
Other recognised gains/(losses)		-	-
Net incoming resources for the financial year		6,414	(7,469)

**The U Foundation Limited**  
**Balance Sheet**  
**as at 31 December 2021**

	Notes	2021	2020
<b>Current assets</b>			
Debtors	2	-	21,789
Prepayment		-	-
Cash at bank and in hand		<u>221,992</u>	224,435
		221,992	246,224
<b>Creditors: amounts falling due within one year</b>	3	-	-
<b>Net current assets</b>		-	246,224
<b>Net assets</b>		<u>221,992</u>	<u>246,224</u>
<b>Reserves</b>			
General Accumulated Funds	4	221,992	246,224
<b>Net funds</b>		<u>221,992</u>	<u>246,224</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 Chikhli  
 Director

Approved by the board on 20 September 2022

**The U Foundation Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2021**

**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.

<b>2. Debtors</b>	<b>2021</b>	<b>2020</b>
	£	£
Other debtors	-	21,789
(Irrecoverable debtor)		

**3. Creditors: amounts falling due within one year**

Other creditors	-	-
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**4. General funds**

At 1 January 2021	246,224
Surplus(deficit) for the year	6,414
Irrecoverable debt (other)	(21,789)
Exchange Rate conversion loss	( 8,857)
At 31 December 2021	221,992

**The U Foundation Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2021**

**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 2021  
for the information of the directors only**

	2021 £	2020 £
<b>Incoming Resources</b>	27,997	70,354
Resources Expended	(21,583)	(77,323)
	6,414	(7,469)
<b>Net Incoming Resources</b>	6,414	(7,469)



**The U Foundation Limited**  
**Schedule to the Income and Expenditure Account**  
**for the year ended 31 December 2021**  
*for the information of the directors only*

	2021	2020
<b>Incoming Resources</b>		
General Donations (note 1)	20,850	33,440
Fund raising events (note 2)	2,958	360
Bank interest	19	262
	<u>23,827</u>	<u>38,343</u>
<b>Other income as Custodian Trustees</b>		
Time & Tide	1,360	4,580
CSL	2,810	31,911
<b>Resources Expended</b>		
Fundraising activities (note 3)	20	360
Grants payable (note 4)	15,827	73,012
Accountancy and administration fees	88	342
Bank charges	58	48
Insurance	859	718
Online Platform	251	-
Misc (Website/IT)	310	3,343
	<u>17,413</u>	<u>77,823</u>
<b>Other Expenditure as Custodian Trustees</b>		
Time & Tide	1,360	4,580
CSL	2,810	31,911

**The U Foundation Limited**  
**Schedule to the Income and Expenditure Account**  
**for the year ended 31 December 2021**  
*for the information of the directors only*

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Note 1 : General Donations</b>		
Donations received	2,791	16,825
Gift Aid income tax	750	3,639
Sponsor a Child	6,500	6,024
Online Platform sales	284	367
Siankaba	8,612	-
Siankaba Xmas	1,501	1,727
Calendars	412	378
	<u>20,850</u>	<u>33,440</u>
<b>Other Income received as Custodian Trustees</b>		
Time & Tide	1,360	4,580
CSL	2,810	31,911
 <b>Note 2 : Fundraising Events</b>		
Virtual Events	2,688	-
Charity Gig	-	2,236
S to Vienna 20	-	100
Four Countries	-	1,600
London Marathon	270	705
	<u>2,958</u>	<u>4,641</u>
 <b>Note 3 : Fundraising Activities</b>		
Virtual Marathon	20	-
Charity Gig	-	360
	<u>20</u>	<u>360</u>
 <b>Note 4: Grants payable</b>		
Siankaba Community Trust – General running costs	14,752	22,842
Siankaba – Capital Expenditure	-	10,975
Siankaba – Pupil Sponsorship	-	1,432
Charity Begins At Home Sponsorship programme	1,075	1,283