

REGISTERED COMPANY NUMBER: 07409314 (England and Wales)
REGISTERED CHARITY NUMBER: 1154679

KOREAN EDUCATION FOUNDATION

REPORT OF THE TRUSTEES AND UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

Korean Education Foundation

Contents of the Financial Statements for the Year Ended 31 December 2020

Report of the Trustees	1 - 2
Report of the Independent Examiner	3
Statement of Financial Activities	4
Balance Sheet	5
Notes to the Financial Statements	6 - 8

Korean Education Foundation

Charity Information for the Year Ended 31 December 2020

Reference and Administration details

Registered Company number

07409314 (England and Wales)

Registered Charity number

1154679

Registered office

Korean Community Centre 110 Coombe Lane
Raynes Park
London
SW20 0AY

Trustees

Sungjin Park
Seung Sub Jung
Jong-Han Kim
Jaehoon Yeon
Sung Soo Kim (Resigned 5 May 2021)
Director of Education of the Embassy of the Republic of Korea in the UK
President of Korean Residents Society
Headmaster of London Korean School
Minjung Kim
Jounga Joo
Kyoung-Sun Chung (Appointed 7 Oct 2020)
Consul General of the Embassy of the Republic of Korea in the UK
or any Officer of the Embassy appointed by the Consul General

Independent Examiner

Andrew Stickland
Moore Kingston Smith LLP
Chartered Accountants

Devonshire House
60 Goswell Road
London EC1M 7AD

**Report of the Trustees
for the Year Ended 31 December 2020**

Structure, Governance and Management

Governing document

Korean Education Foundation is a registered charity incorporated as a private company limited in England and Wales. It is controlled by its Memorandum and Articles of Association.

Objectives and Activities

The objective of the charitable company is 'the advancement of Korean language education in England for the children of Korean origin or descent and to support and advance the awareness of Korean culture in England'.

In preparing these financial statements the trustees have had regard to the Charity Commission's guidance on public benefit.

Activities undertaken

The Foundation continued to hire out venue space and rent out accommodation in the year to December 2020 prior to activities being curtailed by the national lockdown. Further, donations received amount to over £15,000 from individual and organisational donors.

The Foundation continued to give grants to institutions specialising in Korean Education and as scholarships to individuals studying the Korean language. In the year to December 2020 such grants totalling £11,181 were paid (2019:£4,087).

Key achievements

The continued level of donations received by the Foundation from the Korean community is a positive sign that the charity has continued to perform well in 2020.

Structure, Governance and Management

The Foundation is a registered charity and a company limited by guarantee in England and Wales. The Foundation hold and regularly update an internal governance policy but is governed overall by its Memorandum and Articles of Association. Any new trustee appointment must be recommended by 2 existing trustees, and the appointment must be approved by a 2/3 vote of all trustees.

Financial Review

During 2020 the funds of the Foundation decreased by £1,900 as a result of normal activities. The Foundation was supported by government grants of £3,861. The Foundation had Unrestricted General Funds of £1,275,532 at the year end of which £1,225,128 is represented by tangible fixed assets. Free reserves amount to £50,404. The Trustees deem this level of reserves adequate for the day to day running of the foundation for it to meet its charitable objectives for the next 12 months.

Plans for Future Periods

During 2021, the Foundation will seek to continue to fulfil its objectives in creative ways that will assist in the advancement of the Korean language and culture in England. Having made appropriate enquiries, the trustees do not believe that Covid-19 and any resultant government legislation will affect the Foundation's ability to continue as a going concern in 2021 and 2022.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Korean Education Foundation

Report of the Trustees (continued) for the Year Ended 31 December 2020

Statement of Trustees' Responsibilities

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' (FRS 102).

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 the year. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP 2015 (FRS 102);
- make judgements and 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; and 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 adequate 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.

This report has been prepared in accordance with the Statement of Recommended Practice: 'Accounting and Reporting by Charities' and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to smaller entities.

Approved by order of the board of trustees on 28 Sep 2021 and signed on its by:

Trustee

Sungjin Park

Trustee

Heeseung Ahn

**Report of the Independent Examiner
for the Year Ended 31 December 2020**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2020.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent Examiner's Statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- 1) accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- 2) the accounts do not accord with those records; or
- 3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
- 4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Moore Kingston Smith LLP

Andrew Stickland
(FCA, ICAEW)
For and on behalf of Moore Kingston Smith LLP
Chartered Accountants

Devonshire House
60 Goswell Road
London EC1M 7AD

Date: 29 September 2021

**Statement of Financial Activities
for the Year Ended 31 December 2020**

	Notes	2020 £	2019 £
INCOMING RESOURCES			
Incoming resources from generated funds			
Voluntary income - donations		16,221	36,099
Charitable activities	2	8,728	7,204
Rental income		38,749	39,403
Government grants		3,861	-
Total incoming resources		<u>67,559</u>	<u>82,706</u>
RESOURCES EXPENDED			
Charitable expenditure	3, 3a	65,598	64,820
Total resources expended		<u>65,598</u>	<u>64,820</u>
NET INCOMING/(OUTGOING) RESOURCES		1,961	17,886
Net movement in funds		1,961	17,886
RECONCILIATION OF FUNDS			
Total funds brought forward		1,273,571	1,255,685
TOTAL FUNDS CARRIED FORWARD		<u>1,275,532</u>	<u>1,273,571</u>

All activities in the current and prior year relate to unrestricted funds.

Korean Education Foundation

Balance Sheet As at 31 December 2020

	Notes	2020 £	2020 £	2019 £	2019 £
FIXED ASSETS					
Tangible Fixed Assets	6		1,225,128		1,237,696
CURRENT ASSETS					
Debtors	7	1,176		1,088	
Cash at bank		<u>60,269</u>		<u>43,019</u>	
		61,445		44,107	
CREDITORS					
Amounts falling due within one year	8	<u>(11,041)</u>		<u>(8,232)</u>	
NET CURRENT ASSETS / (LIABILITIES)			<u>50,404</u>		<u>35,875</u>
NET ASSETS			<u>1,275,532</u>		<u>1,273,571</u>
FUNDS					
Unrestricted funds	9		1,275,532		1,273,571
TOTAL FUNDS			<u>1,275,532</u>		<u>1,273,571</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

(a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006; and

(b) preparing financial statements which give a true and fair view of otherwise comply with the requirements of the Companies Act 2006 relating to financial state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which statements, so far as applicable to the charitable company.

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 28 September 2021 and were signed on its behalf by:

Trustee

Sangjin Park

**Notes to the Financial Statements
for the Year Ended 31 December 2020**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are presented in sterling (£) which is also the functional currency for the charity.

Going Concern

The Foundation has reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future. To make this judgement, the trustees have taken into account various internal and external factors, including the potential impact of Covid-19 and resulting government regulations. It has therefore continued to adopt the going concern basis in preparing its financial statements.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the Foundation is legally entitled to the income and the amount can be measured reliably.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Grants given to institutions and individuals are recognised when ratified by trustees and the recipient made aware of the grant. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible Fixed Assets

The freehold property was initially recognised at cost, but was revalued to fair value in 2018.

Tangible fixed assets are depreciated at the following rates:

Buildings	50 years straight line
Office equipment	3 years straight line

Taxation

The charity is exempt from corporation tax due to its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Financial Instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Notes to the Financial Statements (continued)
for the Year Ended 31 December 2020

	2020	2019
	£	£
2. Charitable activities		
Venue hire	8,728	7,204
	<u>8,728</u>	<u>7,204</u>

3. Charitable expenditure

Included within charitable expenditure are amounts paid to the independent examiner in the year;

	2020	2019
	£	£
Accountancy	3,150	1,236
Independent examination	1,260	3,084
	<u>4,410</u>	<u>4,320</u>

3a. Grant expenditure

Included within charitable expenditure are grants given to institutions specialising in Korean Education and as scholarships to individuals in the year;

	2020	2019
	£	£
Grants to institutions	9,900	3,137
Grants to individuals (scholarships)	1,281	950

4. Trustees' Remuneration and benefits

There was no trustees' remuneration or other benefits paid in the year ended 31 December 2020 (2019 £nil). The trustees are deemed to be the key management personnel for the charity. Consequently key management remuneration was £nil (2019: £nil).

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2020 (2019: £nil).

5. Staff costs

	2020	2019
	£	£
Salaries and wages	13,634	15,600
	<u>13,634</u>	<u>15,600</u>

During the period the average number of employees was 1 (2019: 1).

No employees received employee benefits of more than £60,000 during the year.

6. Tangible Fixed Assets

	Buildings	Office equipment	Total
Cost/valuation			
At 31 December 2019	1,250,000	205	1,250,205
Additions	-	-	-
At 31 December 2020	<u>1,250,000</u>	<u>205</u>	<u>1,250,205</u>
Depreciation			
At 31 December 2019	12,500	9	12,509
Charge for the year	12,500	68	12,568
At 31 December 2020	<u>25,000</u>	<u>77</u>	<u>25,077</u>
Net book value as at 31 December 2020	<u>1,225,000</u>	<u>128</u>	<u>1,225,128</u>
Net book value as at 31 December 2019	1,237,500	196	1,237,696

Notes to the Financial Statements (continued)
for the Year Ended 31 December 2020

7. Debtors

	2020	2019
	£	£
Prepayments	1,176	1,088
	<u>1,176</u>	<u>1,088</u>

8. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Trade creditors	1,224	2,945
Accruals	9,292	4,986
Tax and social security	489	301
Other creditors	36	-
	<u>11,041</u>	<u>8,232</u>

9. Movement in funds

Current year	2019	Incoming resources	Resources expended	Unrealised gains	2020
	£	£	£		£
Unrestricted funds					
General fund	1,273,571	67,559	(65,598)	-	1,275,532
Total funds	<u>1,273,571</u>	<u>67,559</u>	<u>(65,598)</u>	<u>-</u>	<u>1,275,532</u>

Prior year	2018	Incoming resources	Resources expended	Unrealised gains	2019
	£	£	£		£
Unrestricted funds					
General fund	1,255,685	82,706	(64,820)	-	1,273,571
Total funds	<u>1,255,685</u>	<u>82,706</u>	<u>(64,820)</u>	<u>-</u>	<u>1,273,571</u>

10. Operating lease income

The following income is receivable under non-cancellable operating leases;

	2020	2019
	£	£
Amounts receivable within one year	6,200	6,200
Amounts receivable within two to five years	-	-
Amounts receivable in more than five years	-	-
	<u>6,200</u>	<u>6,200</u>

11. Related party transactions

There were no related party transactions during the year (2019: none).