

Charity Registration No. 1185974

Company Registration No. 11496535 (England and Wales)

QHUBEKA UK
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020

QHUBEKA UK

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr A A Fitzhenry Mr J N Ford S F T Phaweni R Wright	(Appointed 11 June 2020)
Secretary	Mr P M Shannon	
Charity number	1185974	
Company number	11496535	
Registered office	26 Willingdon Road London N22 6SB	
Independent examiner	Newton & Garner Limited Chartered Accountants 47 Topsfield Parade, Tottenham Lane Hornsey, London N8 8PT	

QHUBEKA UK

CONTENTS

	Page
Trustees' report	1 - 2
Independent examiner's report	3
Statement of financial activities	4
Balance sheet	5
Notes to the financial statements	6 - 9

QHUBEKA UK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE PERIOD ENDED 31 DECEMBER 2020

The trustees present their report and financial statements for the Period ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Companies Act 2006 and "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 2019)".

Objectives and activities

The charity's objects are the advancement of education, the prevent and relief of poverty, the promotion of conservation and environmental protection and the advancement of health in particular (but without limitation) in South Africa and neighbouring countries by the provision of bicycles.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Financial review

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the Period.

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 2 August 2018 and registered as a charity on 24 October 2019. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the Period and up to the date of signature of the financial statements were:

Mr A A Fitzhenry

Mr J N Ford

Mr K Middlemas

(Resigned 10 December 2019)

S F T Phaweni

R Wright

(Appointed 11 June 2020)

There shall be at least four Trustees, at least two of which should be Independent Trustees.

Any person who is willing to act as Trustee, and who would not be disqualified from acting under provision under the provisions of Article 27, may be appointed to be a Trustee by a decision of the Trustees but such a person shall not take office unless and until the appointment is confirmed in writing by Qhubeka South Africa.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The trustees' report was approved by the Board of Trustees.

QHUBEKA UK

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) ***FOR THE PERIOD ENDED 31 DECEMBER 2020***

Mr J N Ford

Trustee

Dated: 11 June 2021

QHUBEKA UK

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF QHUBEKA UK

I report to the trustees on my examination of the financial statements of QHUBEKA UK (the charity) for the Period ended 31 December 2020.

Responsibilities and basis of report

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

Having satisfied myself that the financial statements of the charity 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 the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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 financial statements to be reached.

Newton & Garner Limited

Chartered Accountants
47 Topsfield Parade, Tottenham Lane
Hornsey, London
N8 8PT

Dated: 11 June 2021

QHUBEKA UK

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Unrestricted funds 2019 £
<u>Income from:</u>			
Donations and legacies	3	348,476	87,831
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Raising funds	4	88,509	48,099
		<hr/>	<hr/>
Charitable activities	5	11,875	13,104
		<hr/>	<hr/>
Total resources expended		100,384	61,203
		<hr/>	<hr/>
Net income for the year/ Net movement in funds		248,092	26,628
		<hr/>	<hr/>
Fund balances at 1 September 2019		26,628	-
		<hr/>	<hr/>
Fund balances at 31 December 2020		274,720	26,628
		<hr/>	<hr/>

The statement of financial activities includes all gains and losses recognised in the Period.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

QHUBEKA UK

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Current assets					
Debtors	9	83,248		-	
Cash at bank and in hand		191,472		26,628	
		<u>274,720</u>		<u>26,628</u>	
Net current assets			<u>274,720</u>		<u>26,628</u>
Income funds					
Unrestricted funds			<u>274,720</u>		<u>26,628</u>
			<u>274,720</u>		<u>26,628</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the Period ended 31 December 2020.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the Period in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 11 June 2021

Mr J N Ford
Trustee

Company Registration No. 11496535

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

QHUBEKA UK is a private company limited by guarantee incorporated in England and Wales. The registered office is 26 Willingdon Road, London, N22 6SB.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006 and "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 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

QHUBEKA UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2020

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Donations and gifts	348,476	87,831

4 Raising funds

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
<u>Fundraising and publicity</u>		
Staging fundraising events	47,771	9,702
Advertising	5,850	1,494
Other fundraising costs	12,295	7,734
Staff costs	22,593	29,169
	<u>88,509</u>	<u>48,099</u>
Fundraising and publicity	88,509	48,099

5 Charitable activities

	Charitable Expenditure Heading 1	Charitable Expenditure Heading 1
	2020	2019
	£	£
Share of governance costs (see note 6)	11,875	13,104

QHUBEKA UK

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2020

6 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Legal and professional	-	11,875	11,875	-	13,104	13,104
	-	11,875	11,875	-	13,104	13,104
Analysed between Charitable activities	-	11,875	11,875	-	13,104	13,104

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the Period.

8 Employees

Number of employees

The average monthly number of employees during the Period was:

	2020 Number	2019 Number
	-	1

Employment costs

	2020 £	2019 £
Wages and salaries	22,593	29,169

9 Debtors

Amounts falling due within one year:	2020 £	2019 £
Other debtors	83,248	-

10 Related party transactions

There were no disclosable related party transactions during the Period (2019 - none).