

UNION JAX FOUNDATION
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

UNION JAX FOUNDATION

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UNION JAX FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS

Charity number: 1188423

Company number: 11733966

Registered Address: c/o Memery Crystal LLP
165 Fleet Street
London
England
EC4A 2DY

Directors: A C Khan
S R Khan
P A Limbert
N D Preston
E R Rowland

Independent Examiner: John Howard FCA
Azets Audit Service
Chartered Accountants
2nd Floor, Regis House
45 King William Street
London
EC4R 9AN

UNION JAX FOUNDATION

REPORT OF THE TRUSTEES

The Trustees have pleasure in presenting their Annual Report and financial statements for the year ended 31 December 2020.

The financial statement has been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Charities Act 2011 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 published on 16 July 2014 and updated by Bulletin 1.

1. OBJECTIVES AND ACTIVITIES

The charity's objectives are the promotion of community participation in American Football and in fitness, teamwork, and sport, in particular by the provision of organised American Football training, fitness and teamwork sessions and games and education, for the benefits of the inhabitants of the United Kingdom.

2. ACHIEVEMENTS AND PERFORMANCE

This financial year was heavily impacted by the COVID-19 pandemic, meaning that any activities were extremely limited. It is expected that the following financial year will be productive in starting up the activities to match the Charity's objectives.

3. FINANCIAL REVIEW

Overview of year

This was the Charity's first full year of trading after incorporation. The Charity achieved a deficit in the year of £1,218 (2019: £nil), with income totalling £94,004 (2019: £nil). £50,000 of this income was a donation received by Union Jax, LLC, a company which shares a Director with the Charity.

Reserves Policy

Although there is no strict reserves policy in place, the Trustees have agreed that the Charity should establish and main a free reserve sufficient to cover the Charity's planned expenditure for a period of 3 months. This amount is yet unknown given the new incorporation and interrupted nature of the activities so far. Each year, a donation will be received by Union Jax, LLC which will allow the Charity to breakeven and gradually build up these reserves.

Risk Management

The Trustees identify and review the strategic, business and operation risks to which the charity is exposed and ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The key risks identified are:

- Child welfare: As the Charity exists to provide a sports and teamwork experience for children, it is imperative that our activities ensure full compliance with law and best practice relating to children, their safety and their welfare.
- Loss of major revenue stream: Certain sources of funding are likely to be very significant. Those that are related to a specific activity will result in the cessation of that activity and so there will be associated cost savings too. The annual donation from Union Jax, LLC will cover any unrecoverable costs paid by the Charity.

4. PLANS FOR THE FUTURE

In the next financial year, there is hope that the COVID-19 impact will start to reduce and the activities can begin.

5. STRUCTURE, GOVERNANCE AND MANAGEMENT

Union Jax Foundation is a charitable company limited by guarantee, company number 11733966, and charity number 1188423, incorporated in the UK. 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 Charity is overseen by a Board of Trustees who have been selected for the areas of expertise.

UNION JAX FOUNDATION

REPORT OF THE TRUSTEES

Trustees' responsibilities statement

The Trustees (who are also directors of Union Jax Foundation for the purposes of company law) are responsible for preparing the Directors' 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 the year. 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 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
- 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.

By Order of the Board



Trustee - N D Preston

Date: 30 September 2021

UNION JAX FOUNDATION

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS

I report on the accounts of the Union Jax Foundation for the year ended 31 December 2020 set out on pages 5 to 12.

Responsibilities and basis of report

As the charity 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 company'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 confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, 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 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 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 accounts to be reached.



John Howard (FCA)
For and on behalf of Azets Audit Services
Chartered Accountants
2nd Floor, Regis House
45 King William Street
London
EC4R 9AN

Date: 06 October 2021

UNION JAX FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES (Including the Income and Expenditure Account)

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Income:					
Donations and legacies	2	50,000	-	50,000	-
Charitable activities	3	-	37,800	37,800	-
Other income	4	-	6,204	6,204	-
Total income		50,000	44,004	94,044	-
Expenditure:					
Charitable activities	5	51,218	44,004	95,222	-
Total expenditure		51,218	44,004	95,222	-
Net income/(expenditure)		(1,218)	-	(1,218)	-
Net movements in funds		(1,218)	-	(1,218)	-
Reconciliation of funds:					
Total funds brought forward		-	-	-	-
Total funds carried forward	11	(1,218)	-	(1,218)	-

All income and expenditure derive from continuing activities.

All recognised gains and losses are included in the Statement of Financial Activities.

The notes on pages 7 to 12 form part of these financial statements.

UNION JAX FOUNDATION

BALANCE SHEET

COMPANY NUMBER: 11733966

AS AT 31 DECEMBER 2020

	Notes	2020		2019	
		£	£	£	£
Current assets					
Debtors	9	50,000		-	
Cash and bank		<u>161</u>		<u>-</u>	
		50,161		-	
Creditors: Amounts falling due within one year	10	<u>(51,379)</u>		<u>-</u>	
Net current assets			(1,218)		-
Net assets			<u>(1,218)</u>		<u>-</u>
Restricted funds	11		-		-
Unrestricted funds					
General funds	11		(1,218)		-
Total funds			<u>(1,218)</u>		<u>-</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 required the charitable company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each 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 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 on the 30th September 2021 and signed on its behalf by:



Trustee - N D Preston

The notes on pages 7 to 12 form part of these financial statements.

UNION JAX FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

(a) General information and basis of preparation

The Union Jax Foundation is a company limited by guarantee in the United Kingdom. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are set out on page 2.

The charitable company constitutes a public benefit entity as defined by FRS 102. 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 (FRS 102) issued on 16 July 2015 (as updated through Update Bulletin published on 2 February 2019), the Financial Reporting Standard applicable in the United Kingdom (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2016.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Going Concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

(c) Funds

Unrestricted funds - represent funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

Designated funds – these are funds set aside by the Trustees out of unrestricted general funds for specific purposes or projects. There are no designated funds in place at year end.

Restricted funds - represent funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when the funds are raised for specific restricted purposes. There are no resigned funds in place at year end.

(d) Income

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Donations are recognised in the financial statements when the charity is convinced that there is entitlement to the income, there is certainty of receipt and the amount in question is measurable. Gift aid income is accounted for in the year the donation was received.

Other income relates to income from government grants relating to the Coronavirus Job Retention Scheme and is recognised as income over the period the related cost is incurred.

UNION JAX FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES - continued

(e) Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

(f) Allocation of support and governance costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include governance costs, administrative office function cost and premises costs. They are incurred directly in support of expenditure on the objects of the charitable company.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to the independent examination, statutory audit and legal fees.

(g) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid. Accrued income is measured at the amount due to be received.

(h) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

(i) Creditors and provisions

Creditors are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Other creditors and accruals are recognised at their settlement amount due.

(j) Financial instruments

The charity only has financial assets and financial 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

(l) Judgements and key sources of estimation uncertainty

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

UNION JAX FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

2. DONATIONS AND LEGACIES

	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £	Total 2019 £
Donations	50,000	-	50,000	-
	<u>50,000</u>	<u>-</u>	<u>50,000</u>	<u>-</u>
Total 2019	<u>-</u>	<u>-</u>	<u>-</u>	

3. CHARITABLE ACTIVITIES

	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £	Total 2019 £
Grant funding	-	37,800	37,800	-
	<u>-</u>	<u>37,800</u>	<u>37,800</u>	<u>-</u>
Total 2019	<u>-</u>	<u>-</u>	<u>-</u>	

4. OTHER INCOME

	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £	Total 2019 £
Job retention scheme income	-	6,204	6,204	-
	<u>-</u>	<u>6,204</u>	<u>6,204</u>	<u>-</u>
Total 2019	<u>-</u>	<u>-</u>	<u>-</u>	

UNION JAX FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

5. ANALYSIS OF EXPENDITURE

	Direct Charitable	Support Costs (note 6)	Total 2020	Total 2019
	£	£	£	£
Events	41,197	54,025	95,222	-
	<u>41,197</u>	<u>54,025</u>	<u>95,222</u>	<u>-</u>
Total 2019	-	-	-	-

6. SUPPORT COSTS

	2020 £	2019 £
Bank charges	339	-
Salaries	37,395	-
Travel & Subsistence Costs	3,560	-
Governance costs		
Professional Fees	10,631	-
Independent examination fee	2,100	-
	<u>54,025</u>	<u>-</u>

UNION JAX FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

7. NET INCOME/ (EXPENDITURE) FOR THE YEAR

	2020	2019
	£	£
This is stated after charging:		
Independent examination fee	2,100	-
	<u>2,100</u>	<u>-</u>

8. ANALYSIS OF STAFF COSTS, DIRECTOR REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL

	2020	2019
	£	£
Salaries and wages	33,515	-
Social security costs	3,331	-
Pension costs	549	-
	<u>37,395</u>	<u>-</u>

There was 1 member of staff employed with the charity during 2020 (2019: 0).

During 2020, no Trustees were paid or received any other benefits from employment with the charitable company.

The key management of the charitable company comprise the Trustees only.

9. DEBTORS

	2020	2019
	£	£
Accrued Income	50,000	-
	<u>50,000</u>	<u>-</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Accruals	2,100	-
Other creditors	49,279	-
	<u>51,379</u>	<u>-</u>

UNION JAX FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

11. Funds – Current year

	1 January 2020	Income	Expenditure	Transfers	31 December 2020
	£	£	£	£	£
Unrestricted funds	-	50,000	(51,218)	-	(1,218)
Restricted funds					
Events	-	37,800	(37,800)	-	-
Salaries	-	6,204	(6,204)	-	-
Total	-	44,004	(44,004)	-	-
Total	-	94,004	(95,222)	-	(1,218)

12. ANALYSIS OF NET ASSETS BETWEEN TOTAL FUNDS – Current year

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 31 December 2020 are represented by:			
Current assets	50,161	-	50,161
Current liabilities	(51,379)	-	(51,379)
	(1,218)	-	(1,218)

13. RELATED PARTY TRANSACTIONS

During the year a £50,000 donation was received from Union Jax LLC in which the Trustee S R Khan is a director.

Included in other creditors is a balance of £49,279 (2019: £nil) due to Union Jax LLC.