

Charity Registration No. 111109

Company Registration No. 05400933 (England and Wales)

THE COBRA FOUNDATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 25 DECEMBER 2016

THE COBRA FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Lord Karan Bilimoria of Chelsea CBE DL Mr Pat Chapman Mr Martyn Cozens Mr Anthony Gibbons Mrs Naomi Glancy Mr Maurice Ostro Mr Patrick Shervington MBE	(Appointed 1 January 2017)
Secretary	Mr Patrick Shervington MBE	
Charity number	1111109	
Principal address	Cobra Beer Partnership Limited 137 High Street Burton-on-Trent DE14 1JZ	
Accountants	HW Fisher & Company Acre House 11-15 William Road London NW1 3ER United Kingdom	
Bankers	Royal Bank of Scotland PO Box 5479 1 Spinningfields Square Manchester M61 0NH	
Solicitors	Bates Wells and Braithwaite 10 Queen Street Place London EC4R 2BE	

THE COBRA FOUNDATION

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THE COBRA FOUNDATION

TRUSTEES' REPORT *FOR THE YEAR ENDED 25 DECEMBER 2016*

The trustees present their report and accounts for the period ended 25 December 2016.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Articles of Association, the Companies Acts 1985 to 2006 and the Charities SORP (FRS 102) effective 1 January 2015.

Structure, governance and management

The organisation is an independent charitable company limited by guarantee and was registered as a charity with the Charity Commission on 31 August 2005.

The structure of the Foundation board is shown below.

The trustees, who are also the directors for the purpose of company law, who served during the year were:

Lord Bilimoria of Chelsea CBE DL	(Appointed 12 August 2005)
Mr Pat Chapman	(Appointed 5 October 2011; Resigned 30 September 2016)
Mr Martyn Cozens	(Appointed 1 January 2017)
Mr Anthony Gibbons	(Appointed 23 April 2013; Resigned 1 January 2017)
Mrs Naomi Glancy	(Appointed 31 October 2011)
Mr Maurice Ostro	(Appointed 12 August 2005)
Mr Patrick Shervington MBE	(Appointed 22 March 2005)

The board currently comprises five members: two representing the Cobra Beer Partnership, Lord Bilimoria, its chairman and Mr Martyn Cozens, together with three independent trustees. Our governance policy remains unchanged; namely that the Foundation chairman should be one of the independent members of the board and those independent members should form the majority. We believe that the balance of the board is right in that there is substantial business, financial, marketing and communications expertise. The Foundation has no employed staff. Specialist charity and fundraising advice, management and direction is provided by the chairman with reasonable remuneration. He also undertakes the administration of the Foundation assisted by staff from Molson Coors Brewing Company (UK) Ltd and the Cobra Beer Partnership. This crucial support continues to be greatly appreciated.

The Foundation continues to be well served by our legal, accounting and audit advisors and the Board has reappointed them for 2017/18. We have appointed The Royal Bank of Scotland as our charity bankers and are pleased to record that the all-round service provided is very positive and helpful.

All business of the board is conducted within the conditions and spirit of the governing document. In addition to formal board meetings, there is frequent informal contact amongst trustees throughout the year.

THE COBRA FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 25 DECEMBER 2016

Field Marshal Sir John Chapple continues in his role as President. He is not a member of the board, but attends meetings and keeps himself closely briefed on our policies and activities. He is greatly respected and offers wise counsel and advice to the trustees. In addition, he has given several keynote addresses at events throughout the year.

Objectives and activities

The charitable objective remains unchanged.

Cobra Foundation is an independent charity providing health, education and community support for young people in south Asia, especially through the provision of safe water.

Our charitable objectives include giving help with Disaster Relief in the region.

Until recently our capacity to provide financial grants to charities and other worthy causes has been limited by a lack of funds. However, two significant developments must be recorded.

The first was an unrestricted grant of £10,000 by Molson Coors through the Cobra Beer Partnership. This has enabled the Board to re-establish its policy of providing small grants, typically between £250-£1,000. 14 applicants benefitted, but such is the demand that 63 requests could not be supported. We acknowledge the key role of outgoing trustee, Tony Gibbons, and congratulate him on his new international appointment within the company. Martyn Cozens has replaced him as a Board member and is showing a keen awareness of our charitable work.

Secondly, the partnership with Belu, a rapidly expanding ethical producer of mineral water, has resulted in the Foundation donating £20k to WaterAid for projects in our principal area of operation, namely South Asia. A special mention is made of Laura de Poitiers from Belu who has been outstanding for her skill and focus in taking our partnership forward. Samson Sohail, Sales Director of Cobra Beer Partnership, continues to be immensely supportive to the Foundation. His knowledge and insight of the Ethnic Restaurant Sector is second to none. His direction in providing financial relief for victims of the Nepal earthquakes tragedy resulted in raising £177,000 from an initial investment of £12,000 of stock. Note. This is not recorded in the Foundation accounts as it was managed and sustained through the Cobra Beer Partnership following the initial impetus through the Foundation.

Through the Cobra Beer Partnership, stocks of Cobra beer are provided to help the fundraising campaigns of charities and good causes supporting the Region which we define as comprising Afghanistan, Bangladesh, Bhutan, Myanmar, India, Maldives, Nepal, Pakistan and Sri Lanka. The Board expresses its gratitude for the generosity of the Company in providing significant stocks of complimentary beer in 2016, including 23 complimentary prizes of *A Free case of Cobra Beer every month for a year!* This has given the opportunity for small charities to boost their own fundraising by several thousand pounds. The Board acknowledges the ongoing advice of our lawyers Bates Wells & Braithwaite that the provision of beer does not in itself constitute a charitable activity. Therefore the financial benefits of these donations are not included in our financial statements. Whilst mentioning our lawyers, we record our gratitude for their expert advice and direction on the application of Gift Aid.

THE COBRA FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 25 DECEMBER 2016

The board's grant-making policy is kept under review within the parameters laid down in the Mission Statement described in the Objectives and Activities section of this report.

Whilst our primary focus is providing relief and support in South Asia, we note that there is some diversification with small grants being authorised to benefit a wider geographical spread. This welcome trend will be closely monitored to ensure that our overall charitable work is not unduly diluted.

Finally, the Board records its gratitude to the one person behind the establishment of the Cobra Foundation 12 years ago, Lord Karan Bilimoria. His generosity and willingness to give his personal backing to a wide range of charities through the Foundation as well as his notable public service is inspirational. Two occasions highlight his commitment. The first was the publication of an outstanding biography of our Founder President, his father Lieutenant General Bilimoria, *His Life and Times*, by Major General Ian Cardozo, AVSM, SM; together with a splendid launch party at the Nehru Centre in London. Secondly, a reception to celebrate the 10th Anniversary of his appointment as a Peer. Three charities benefitted from that special occasion: Salaam Baalak Trust; Gurkha Welfare Trust; Cobra Foundation.

Financial Review

The deficit for the reporting year amounted to £1,857. In the previous year, 2015, the surplus was £1,126.

Reserves

As the Cobra Beer Partnership generously underwrites the administrative and governance costs of the Foundation the Reserves Policy is to maintain a suitable balance to fulfil grant commitments for a period of up to one year. An appropriate level of reserves has been maintained throughout the period.

On behalf of the board of Trustees



Patrick Shervington MBE

Chairman

Dated: 25th September 2017

THE COBRA FOUNDATION

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF THE COBRA FOUNDATION FOR THE YEAR ENDED 25 DECEMBER 2016

In order to assist you to fulfil your duties under the Charities Act 2011, we have prepared for your approval the accounts of The Cobra Foundation for the year ended 25 December 2016, set out on pages 5 to 10 from the charity's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>

This report is made to the charity's trustees, as a body, in accordance with the terms of our engagement letter dated 11 April 2007. Our work has been undertaken solely to prepare for your approval the accounts of The Cobra Foundation and state those matters that we have agreed to state to the charity's trustees, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Cobra Foundation and the charity's trustees as a body, for our work or for this report.

It is your duty to ensure that The Cobra Foundation has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and deficit of The Cobra Foundation. You consider that The Cobra Foundation is exempt from the statutory audit requirement for the year, and is not required to obtain an independent examiner's report.

We have not been instructed to carry out an audit or a review of the accounts of The Cobra Foundation. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.



HW Fisher & Company

Chartered Accountants

Acre House
11-15 William Road
London
United Kingdom
NW1 3ER

25 September 2017

THE COBRA FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 25 DECEMBER 2016

	Notes	2016 £	2015 £
<u>Income from:</u>			
Voluntary income	2	24,209	8,396
		<u> </u>	<u> </u>
<u>Expenditure on:</u>			
Charitable activities	3	26,066	7,270
		<u> </u>	<u> </u>
Net (expenditure)/income for the year/ Net movement in funds		(1,857)	1,126
Fund balances at 26 December 2015		(984)	(2,110)
		<u> </u>	<u> </u>
Fund balances at 25 December 2016		<u>(2,841)</u>	<u>(984)</u>

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

All income and expenditure derive from continuing activities.

THE COBRA FOUNDATION

BALANCE SHEET

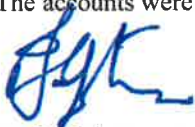
AS AT 25 DECEMBER 2016

	Notes	2016 £	£	2015 £	£
Current assets					
Debtors	9	2,016		2,016	
Cash at bank and in hand		1,743		-	
		<u>3,759</u>		<u>2,016</u>	
Creditors: amounts falling due within one year	10	(6,600)		(3,000)	
Net current liabilities			(2,841)		(984)
			<u>(2,841)</u>		<u>(984)</u>
Income funds					
Unrestricted funds			(2,841)		(984)
			<u>(2,841)</u>		<u>(984)</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 25 December 2016. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The trustees' responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts 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 accounts, so far as applicable to the company.

The accounts were approved by the Trustees on 25 September 2017



Mr Patrick Shervington MBE
Trustee

Company Registration No. 05400933

THE COBRA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 25 DECEMBER 2016

1 Accounting policies

Charity information

The Cobra Foundation is a private company limited by guarantee incorporated in the United Kingdom.

1.1 Accounting convention

The accounts have been prepared under the historical cost convention.

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

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the accounts, 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 accounts.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

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 accounts.

Unrestricted funds are general funds that are available for the use at the trustees' discretion in furtherance of the objectives of the charity.

1.4 Incoming resources

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.

Income has been recognised gross on the basis of entitlement, certainty and measurement.

Donations are recognised as incoming resources when receivable, except insofar as they are incapable of financial measurement.

Investment income is recognised on a receivable basis.

1.5 Resources expended

Expenditure is recognised on an accruals basis, inclusive of VAT.

Governance costs include those costs incurred in the governance of the charity's assets and are primarily associated with constitutional and statutory requirements.

All costs are allocated to the one charitable activity of the charity

THE COBRA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 25 DECEMBER 2016

1 Accounting policies

(Continued)

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 receipts 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.

2 Voluntary income

	2016	2015
	£	£
Donations and gifts	24,209	8,396

THE COBRA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 25 DECEMBER 2016

3 Charitable activities

	2016 £	2015 £
Charitable expenditure	-	152
Grant funding of activities (see note 4)	19,496	7,150
Share of governance costs (see note 5)	6,570	(32)
	<u>26,066</u>	<u>7,270</u>

4 Grants payable

	2016 £	2015 £
Grants to institutions:		
Other	19,496	7,150
	<u>19,496</u>	<u>7,150</u>

5 Support costs

	Support costs £	Governance costs £	2016 £	2015 £	Basis of allocation
Management and administration	2,511	-	2,511	941	
Accountancy	-	3,807	3,807	(973)	Governance
Legal and professional	-	252	252	-	Governance
	<u>2,511</u>	<u>4,059</u>	<u>6,570</u>	<u>(32)</u>	
Analysed between Charitable activities	<u>2,511</u>	<u>4,059</u>	<u>6,570</u>	<u>(32)</u>	

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year except as disclosed in Note 11 - Related parties. In addition, none of the trustees were reimbursed for any travelling expenses during the period.

7 Employees

There were no employees during the year.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 25 DECEMBER 2016

8	Financial instruments	2016	2015
		£	£
	Carrying amount of financial assets		
	Debt instruments measured at amortised cost	2,016	2,016
		=====	=====
	Carrying amount of financial liabilities		
	Measured at amortised cost	6,600	3,000
		=====	=====
9	Debtors	2016	2015
		£	£
	Amounts falling due within one year:		
	Amount due from parent undertaking	1,000	1,000
	Other debtors	1,016	1,016
		=====	=====
		2,016	2,016
		=====	=====
10	Creditors: amounts falling due within one year	2016	2015
		£	£
	Accruals and deferred income	6,600	3,000
		=====	=====
11	Related party transactions		

In the year to 25 December 2016 Molson Coors Brewing Company (UK) Limited and the Cobra Beer Partnership provided free administration services for the Cobra Foundation. In the year to 25 December 2016, the value of the services was estimated at £37,000 (2015: £39,000)