

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 2017

THE COBRA FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Lord Karan Bilimoria of Chelsea CBE DL Mr Martyn Cozens Mrs Naomi Glancy Mr Maurice Ostro Mr Patrick Shervington MBE	(Appointed 1 January 2017)
Secretary	Mr Patrick Shervington MBE	
Charity number	1111109	
Company number	05400933	
Registered office	Acre House 11-15 William Road London NW1 3ER United Kingdom	
Independent examiner	H W 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 & Braithwaite 10 Queen Street Place London EC4R 1BE	

THE COBRA FOUNDATION

CONTENTS

	Page
Trustees' report	1 - 3
Independent examiner's report	4
Statement of financial activities	5
Balance sheet	6
Notes to the financial statements	7 - 10

THE COBRA FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 25 DECEMBER 2017

The trustees present their report and accounts for the period ended 25 December 2017.

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 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. The balance of the board is right in that there is substantial business, financial, marketing and communications expertise. As the Foundation is essentially a sharply focused grant making trust there is no pressing requirement for increased representation although we will look to refresh the board over the next two accounting periods. 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 much appreciated.

The Foundation continues to be well served by our legal, accounting and audit advisors and the Board has reappointed them for 2018/19. The Royal Bank of Scotland is now in its second year as our charity bankers and we are pleased to record that the all-round service provided is positive and helpful.

All business of the board is conducted within the conditions and spirit of the governing document. There is frequent informal contact amongst trustees throughout the year to ensure that the aims and outcomes of the Foundation are maintained and refined. There is close liaison with the two associated commercial companies.

THE COBRA FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 25 DECEMBER 2017

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. His deep knowledge of The Gurkhas is invaluable as the Foundation continues to draw closer links with, for example, The Gurkha Welfare Trust.

Risk management. The trustees undertake their duties to review the risks to which the charity is exposed and to ensure that appropriate controls are in place to provide reasonable assurance against fraud and error.

Website. (cobra-foundation.org.uk). This is a key component of our structure and is strikingly well designed and maintained, including a new Twitter feed.

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.

The Board is continuing its policy its policy of providing small grants, typically between £250-£1,000 and directed to less well-resourced, small charities such as The Darjeeling Children's Trust and the Kamla Foundation, both of which we are pleased to partner. 19 applicants benefitted, but such is the demand that 71 requests were deferred or could not be supported.

The well established partnership with Belu, a rapidly expanding ethical producer of mineral water, has resulted in the Foundation donating £30,500 to WaterAid for projects in our principal area of operation, namely South Asia. 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. Through his commitment and diplomacy a grant of £7,000 was received from the Aagrah chain; our thanks go to the managing director, Mohammed Aslam. We continue to support victims of the Nepal earthquakes tragedy.

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 2017, including 27 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.

THE COBRA FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 25 DECEMBER 2017

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, there is now more diversification with small grants being authorised to benefit a wider geographical spread. This welcome trend is closely monitored to ensure that our overall charitable work is not unduly diluted.

Finally, the Board records its gratitude to the person behind the establishment of the Cobra Foundation 13 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.

Financial Review

The surplus for the reporting year amounted to £8,034. In the previous year, 2016, the deficit was £1,857.

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 2018

THE COBRA FOUNDATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE COBRA FOUNDATION

I report to the trustees on my examination of the financial statements of The Cobra Foundation (the charity) for the year ended 25 December 2017.

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

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.



S P Mehta

Chartered Accountant

c/o H W Fisher & Company
Acre House
11-15 William Road
London
NW1 3ER
United Kingdom

Dated: 25/09/18

THE COBRA FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 25 DECEMBER 2017

	Notes	2017 £	2016 £
<u>Income from:</u>			
Voluntary income	2	34,182	24,209
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Charitable activities	3	26,148	26,066
		<hr/>	<hr/>
Net income/(expenditure) for the year/ Net movement in funds		8,034	(1,857)
Fund balances at 26 December 2016		(2,841)	(984)
		<hr/>	<hr/>
Fund balances at 25 December 2017		5,193	(2,841)
		<hr/>	<hr/>

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

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.

THE COBRA FOUNDATION

BALANCE SHEET

AS AT 25 DECEMBER 2017

	Notes	2017 £	£	2016 £	£
Current assets					
Debtors	9	1,000		2,016	
Cash at bank and in hand		7,733		1,743	
		<u>8,733</u>		<u>3,759</u>	
Creditors: amounts falling due within one year	10	(3,540)		(6,600)	
Net current assets/(liabilities)			5,193		(2,841)
Income funds					
Unrestricted funds			5,193		(2,841)
			<u>5,193</u>		<u>(2,841)</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 2017. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

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.

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

The accounts were approved by the Trustees on 24/9/18



Mr Patrick Shervington MBE
Trustee

Company Registration No. 05400933

THE COBRA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 25 DECEMBER 2017

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 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 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 financial statements.

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 2017

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 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.

2 Voluntary income

	2017	2016
	£	£
Donations and gifts	34,182	24,209
	<u> </u>	<u> </u>

THE COBRA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 25 DECEMBER 2017

3 Charitable activities

	2017 £	2016 £
Grant funding of activities (see note 4)	19,741	19,496
Share of governance costs (see note 5)	6,407	6,570
	<u>26,148</u>	<u>26,066</u>

4 Grants payable

	2017 £	2016 £
Grants to institutions:		
Other	19,741	19,496
	<u>19,741</u>	<u>19,496</u>

5 Support costs

	Support costs £	Governance costs £	2017 £	2016 £	Basis of allocation
Management and administration	-	1,997	1,997	2,511	Governance
Accountancy	-	3,660	3,660	3,807	Governance
Legal and professional	-	750	750	252	Governance
	<u>-</u>	<u>6,407</u>	<u>6,407</u>	<u>6,570</u>	
Analysed between					
Charitable activities	-	6,407	6,407	6,570	
	<u>-</u>	<u>6,407</u>	<u>6,407</u>	<u>6,570</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.

THE COBRA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 25 DECEMBER 2017

8	Financial instruments	2017	2016
		£	£
	Carrying amount of financial assets		
	Debt instruments measured at amortised cost	1,000	2,016
		<u> </u>	<u> </u>
	Carrying amount of financial liabilities		
	Measured at amortised cost	3,540	6,600
		<u> </u>	<u> </u>
9	Debtors	2017	2016
		£	£
	Amounts falling due within one year:		
	Amount due from parent undertaking	1,000	1,000
	Other debtors	-	1,016
		<u> </u>	<u> </u>
		1,000	2,016
		<u> </u>	<u> </u>
10	Creditors: amounts falling due within one year	2017	2016
		£	£
	Accruals and deferred income	3,540	6,600
		<u> </u>	<u> </u>

11 Related party transactions

In the year to 25 December 2017 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 2017, the value of the services was estimated at £29,000 (2016: £37,000)