

Charity Registration No. 1111109

Company Registration No. 05400933 (England and Wales)

THE COBRA FOUNDATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 25 DECEMBER 2018

THE COBRA FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees Lord Karan Bilimoria of Chelsea CBE DL
Mr Martyn Cozens
Mr Maurice Ostro
Mr Patrick Shervington MBE

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 HW Fisher
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
10 Queen Street Place
London
EC4R 1BE

THE COBRA FOUNDATION

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THE COBRA FOUNDATION

TRUSTEES' REPORT FOR THE YEAR ENDED 25 DECEMBER 2018

The trustees present their report and financial statements for the period ended 25 December 2018.

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 Articles of Association, the Companies Acts 1985 to 2006 and the Charities SORP (FRS 102).

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's grant-making policy is kept under review within the parameters laid down in the Mission Statement described above. Whilst our primary focus is providing relief and support in South Asia, there is some 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.

The Board is continuing its policy of providing small grants, typically between £250 - £1,000 and directed to less well-resourced small charities including the Kamla Foundation, the Darjeeling Children's Trust, Friends of Baale Mane, Freedom Kitbags Nepal and the Hope Foundation. We regard these as our partnership charities and plan to provide ongoing support. A further 12 applicants benefitted, but such is the demand that as many as 70 requests for funding were deferred or could not be supported.

The key beneficiary of the Foundation continues to be WaterAid through our strong partnership with Belu. This ethical mineral water company is a British social enterprise with 100% of its profits going to WaterAid. Through the outstanding commitment of Samson Sohail, Sales Director of Cobra Beer Partnership, and his team, Belu water is now supplied throughout the Ethnic Restaurant Sector. This has enabled the annual donation to WaterAid to increase from the beginning of the partnership in 2015 as shown:

2015 - £17,000

2016 - £20,000

2017 - £30,500

2018 - £34,500

This shows a hugely impressive total to date of £102,000. The donation for 2019 is expected to exceed the record sum for this year.

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 500 complimentary cases of Cobra Beer, including 21 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 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 2018

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)
Mrs Naomi Glancy	(Appointed 31 October 2011) (Resigned 30 November 2018)
Mr Maurice Ostro	(Appointed 12 August 2005)
Mr Patrick Shervington MBE	(Appointed 22 March 2005)

The board currently comprises four members: two representing the Cobra Beer Partnership, Lord Bilimoria, its chairman and Mr Martyn Cozens, together with two independent trustees. Towards the end of the reporting period Mrs Naomi Glancy resigned after more than 6 years service. Her commitment and support were noteworthy and we wish her well both personally and with her future career in the third sector. A new independent trustee, Ms Gill Cheesbrough, is being appointed in September 2019.

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. Their 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 2019. See the Legal and Administrative information page at the start of this report.

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.

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. The personal and professional commitment, generosity and influence of the Lord Bilimoria continues to be the core reason for the ongoing success and viability of the charity.

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

(www.cobra-foundation.org.uk) This is a key component of our structure. It continues to be particularly well designed and maintained by JacksonBone, including a Twitter feed.

THE COBRA FOUNDATION

TRUSTEES' REPORT FOR THE YEAR ENDED 25 DECEMBER 2018

Financial Review

The surplus for the reporting year amounted to £4,602. In the previous year, 2017, the surplus was £8,034.

Reserves

As the Cobra Beer Partnership generously underwrites the governance, management and administrative 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 12 September 2019

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 2018.

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).

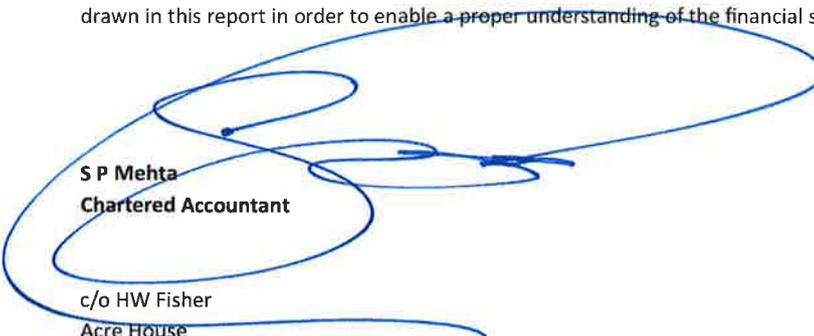
Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 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 HW Fisher
Acre House
11-15 William Road
London
NW1 3ER
United Kingdom

Dated:

17 September 2019

THE COBRA FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 25 DECEMBER 2018

		Unrestricted funds 2018 £	Unrestricted funds 2017 £
Income from:	Notes		
Voluntary income	3	46,222	34,182
Expenditure on:			
Charitable activities	4	41,620	26,148
Net income for the year/ Net movement in funds		4,602	8,034
Fund balances at 26 December 2017		5,193	(2,841)
Fund balances at 25 December 2018		9,795	5,193

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 2018

	Notes	2018 £	£	2017 £	£
Current assets					
Debtors	10	1,000		1,000	
Cash at bank and in hand		12,335		7,733	
		<u>13,335</u>		<u>8,733</u>	
Creditors: amounts falling due within one year	11	<u>(3,540)</u>		<u>(3,540)</u>	
Net current assets			9,795		5,193
Income funds					
Unrestricted funds			9,795		5,193
			<u>9,795</u>		<u>5,193</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 2018. 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 10 September 2019



Mr Patrick Shervington MBE

Trustee

Company Registration No. 05400933

THE COBRA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 25 DECEMBER 2018

1 Accounting policies

Charity information

The Cobra Foundation is a private company limited by guarantee incorporated in the United Kingdom. The registered office is Acre House, 11-15 William Road, London, NW1 3ER, United Kingdom.

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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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 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.

THE COBRA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 25 DECEMBER 2018

1 Accounting policies

(Continued)

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

Support costs represent costs that cannot be directly attributed to charitable activities but are necessarily incurred in running the charity.

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

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 Critical accounting estimates and judgements

No critical accounting estimates or judgements have been made in preparing these accounts.

THE COBRA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 25 DECEMBER 2018

3 Voluntary income

	2018	2017
	£	£
Donations and gifts	46,222	34,182

4 Charitable activities

	2018	2017
	£	£
Grant funding of activities (see note 5)	33,999	19,741
Share of support costs (see note 6)	20	-
Share of governance costs (see note 6)	7,601	6,407
	<u>41,620</u>	<u>26,148</u>

5 Grants payable

	2018	2017
	£	£
Grants to institutions:		
Other	33,999	19,741

THE COBRA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 25 DECEMBER 2018

6	Support costs	Support costs	Governance costs	2018	2017	Basis of allocation
		£	£	£	£	
	Management and administration	-	3,901	3,901	1,997	Governance
	Bank charges	20	-	20	-	
	Accountancy	-	3,556	3,556	3,660	Governance
	Legal and professional	-	144	144	750	Governance
		<u>20</u>	<u>7,601</u>	<u>7,621</u>	<u>6,407</u>	
	Analysed between					
	Charitable activities	<u>20</u>	<u>7,601</u>	<u>7,621</u>	<u>6,407</u>	

Governance costs includes payments to the independent examiners of £3,556 (2017: £3,556) and £144 (2017: £750) for other services.

7 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 expenses during the period.

8 Employees

There were no employees during the year.

9	Financial instruments	2018	2017
		£	£
	Carrying amount of financial assets		
	Debt instruments measured at amortised cost	1,000	1,000
	Carrying amount of financial liabilities		
	Measured at amortised cost	3,540	3,540

10 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Amount owed by parent undertaking	1,000	1,000

11 Creditors: amounts falling due within one year

	2018	2017
	£	£
Accruals and deferred income	3,540	3,540

THE COBRA FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 25 DECEMBER 2018

12 Related party transactions

In the year to 25 December 2018 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 2018, the value of the services was estimated at £27,500 (2017: £29,000).