

**THE UNION JACK CLUB (TRADING) LIMITED**

**Registered Number: 3550353**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 DECEMBER 2017**



**The Union Jack Club (Trading) Limited**  
**Report and Financial Statements**  
**For the year ended 31 December 2017**

**Directors**

Lieutenant Commander N G N Ashford FCA, FCSI  
Mr W A Cowpe  
Mr S C T Atkins  
Mr D E P Albert  
Mr D A Cooper MBA, FCA

**Secretary**

Mrs Renata Washington MA Resigned 31 July 2017  
Mrs Zoe Nield Appointed 1 August 2017

**Auditors**

Kingston Smith LLP  
Devonshire House  
60 Goswell Road  
London  
EC1M 7AD

**Bankers**

Coutts & Co  
440 Strand  
London  
WC2R 0QS

**Solicitors**

Ashurst LLP  
Broadwalk House  
5 Appold Street  
London  
EC2A 2HA

**Registered Office**

Sandell Street  
Waterloo  
London  
SE1 8UJ

# **The Union Jack Club (Trading) Limited**

## **Directors' Report**

### **For the year ended 31 December 2017**

The Directors present their report and accounts for the year ended 31 December 2017.

#### **Results and Charitable Donation**

The profit on ordinary activities before taxation for the year 2017, amounted to £701,607 and are to be gift aided to The Union Jack Club in 2018. The retained earnings carried forward from 2016 of £681,248 were gift aided to The Union Jack Club in 2017.

#### **Principal Activity**

The company provides accommodation and catering services for its parent undertaking, The Union Jack Club.

#### **Directors**

The Directors who served during the year were as follows:

Lieutenant Commander N G N Ashford FCA, FCSI

Mr W Cowpe

Mr S C T Atkins

Mr D E P Albert

Mr D A Cooper MBA, FCA

#### **Statement of Directors' Responsibilities**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the directors is aware at the time the report was approved:

- there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

#### **Auditors**

A resolution to appoint Kingston Smith LLP as auditors in accordance with section 487(2) of the Companies Act 2006 will be put to the members at the forthcoming Annual General Meeting.

By Order of the Board



Z Nield

Secretary

Date: 13.3.2018

# **Independent Auditors' Report to the Shareholders of The Union Jack Club ( Trading ) Limited**

## **Opinion**

We have audited the financial statements of the Union Jack Club (Trading) Limited for the year ended 31 December 2017 which comprise the Statement of Recognised Income and Expense, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Ireland' ( United Kingdom Generally Accepted Accounting Practice ).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken for no purpose other than to draw to the attention of the company's members those matters which we are required to include in an auditor's report addressed to them. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the company and company's members as a body, for our work, for this report, or for the opinions we have formed.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

## **Independent Auditors' Report to the Shareholders of The Union Jack Club ( Trading ) Limited**

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

## **Independent Auditors' Report to the Shareholders of The Union Jack Club ( Trading ) Limited**

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*V.F. J.S. L.P.*

Neil Finlayson, Senior Statutory Auditor  
for and on behalf of Kingston Smith LLP, Statutory Auditor

Date: 21/3/2018

Devonshire House  
60 Goswell Road  
London EC1M 7AD

**The Union Jack Club (Trading) Limited**  
**Statement of Recognised Income and Expense**  
**For the year ended 31 December 2017**

	Note	2017 £	as restated 2016 £
<b>Turnover</b>	2	1,592,513	1,536,585
<b>Cost of sales</b>		<u>(890,610)</u>	<u>(854,271)</u>
<b>Gross Profit</b>		701,903	682,314
<b>Administration expenses</b>		<u>(3,790)</u>	<u>(3,865)</u>
<b>Operating Profit</b>	3	698,113	678,449
Rental income		3,000	2,500
Interest received		494	299
<b>Profit on Ordinary Activities before Taxation</b>		<u>701,607</u>	<u>681,248</u>
<b>Tax on Profit on Ordinary Activities</b>			
<b>Retained earnings brought forward</b>		681,248	644,247
<b>Gift Aid distribution to The Union Jack Club</b>	6	<u>(681,248)</u>	<u>(644,247)</u>
<b>Retained earnings carried forward</b>		<u>701,607</u>	<u>681,248</u>

All the above relate to continuing operations.

There are no recognised gains or losses other than as shown above for both years.

**The Union Jack Club (Trading) Limited**  
**Balance Sheet**  
**For the year ended 31 December 2017**

		2017	as restated 2016
	Notes	£	£
<b>Fixed Assets</b>			
Tangible fixed assets			
<b>Current Assets</b>			
Stocks	7	14,771	12,399
Debtors	8	48,246	33,605
Cash at bank and in hand		1,280,661	695,823
		<u>1,343,678</u>	<u>741,827</u>
<b>Creditors: amounts falling due within one year</b>	9	<u>(642,069)</u>	<u>(60,577)</u>
<b>Net Current Assets</b>		<u>701,609</u>	<u>681,250</u>
<b>Total Assets less Current Liabilities</b>		<u><u>701,609</u></u>	<u><u>681,250</u></u>
<b>Capital and Reserves</b>			
Called up share capital	10	2	2
Profit and loss account		<u>701,607</u>	<u>681,248</u>
<b>Shareholders Funds: Equity</b>		<u><u>701,609</u></u>	<u><u>681,250</u></u>

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 and authorised for issue by the Board of Directors on 13 March 2018 and signed below on its behalf by:



**W A Cowpe**  
**Director**



# The Union Jack Club (Trading) Limited

## Notes to the Financial Statements

### For the year ended 31 December 2017

#### 1 Accounting Policies

##### Company Information

The company is a private company limited by shares and is incorporated and domiciled in England and Wales. The address of its registered office is Sandell Street, Waterloo, London, SE1 8UJ.

##### Basis of preparation

The financial statements have been prepared under the historical cost convention and in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 Section 1A, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

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

The principal accounting policies adopted in the preparation of the financial statements are set out below.

##### Going concern

The directors have assessed whether the use of the *going concern* basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the company to continue as a going concern. The directors have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the directors have considered the company's forecasts and projections. After making enquiries the directors have concluded that there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

##### Tangible assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses.

##### Stock

Stock is stated at the lower of cost and net realisable value. Stock is reviewed for impairment on an annual basis. Any impairment charge is recognised in the profit and loss account.

##### Financial assets/liabilities measured at amortised cost

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.

Debtors and creditors receivable or payable within one year of the reporting date are carried at their at transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

#### 2 Turnover

Turnover, which is stated net of value added tax, represents amounts received and receivable for accommodation and catering services in respect of continuing activities.

#### 3 Operating Profit

This is stated after charging:

Auditors' remuneration

#### 4 Directors' Emoluments

The directors did not receive any remuneration during the year (2016 - £0).

#### 5 Staff Costs

Wages and salaries

The average weekly number of employees during the year was as follows:

Administration

2017	2016
£	£
3,085	3,085
No.	No.

**The Union Jack Club (Trading) Limited**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2017 (Continued)**

**6 Tax on Profit on Ordinary Activities**

There is no corporation tax charge for the year since all profits are payable under gift aid to the parent charity.

**7 Stock**

	2017	2016
	£	£
Merchandise Shop	<u>14,771</u>	<u>12,399</u>

**8 Debtors**

	2017	2016
	£	£
Trade debtors	<u>48,246</u>	<u>33,605</u>
	<u>48,246</u>	<u>33,605</u>

**9 Creditors: Amounts falling due within one year**

	2017	as restated 2016
	£	£
Trade creditors	10,511	4,655
Amounts due to parent undertaking	591,929	18,739
Taxation and social security	36,544	33,433
Accruals and deferred income	3,085	3,750
	<u>642,069</u>	<u>60,577</u>

**10 Share Capital**

	2017	2016
	£	£
Allotted, called up and fully paid:	1,000	1,000
Ordinary shares of £1 each	<u>2</u>	<u>2</u>

**11 Ultimate Parent Undertaking**

The company is a wholly subsidiary of The Union Jack Club, Sandell Street, Waterloo, London SE1 8UJ. Group financial statements including the company are available from this address.

**12 Related Parties**

The company is exempt from reporting transactions with its parent company, The Union Jack Club, as it is a wholly owned subsidiary.

**13 Prior Year Adjustment**

The accounts have been restated as a result of the recent interpretation of FRS 102 clarified by the Financial Reporting Council which has resulted in the annual gift aid payment being treated as a distribution from equity. The impact of this is that 2016 retained earnings have increased by £681,248 and 2016 creditors falling due within one year (amounts due to parent undertaking) have reduced by the same amount.