

Nuru Fund Limited

Financial statements for the year ended 31 March 2017

Registered number: 32102R

<b>Contents</b>	<b>Page</b>
REPORT OF THE BOARD FOR THE YEAR ENDED 31 MARCH 2017 .....	3
STATEMENT OF BOARD'S RESPONSIBILITIES IN RESPECT OF THE BOARD REPORT AND THE FINANCIAL STATEMENTS.....	4
INDEPENDENT AUDITOR'S REPORT TO NURU FUND LIMITED .....	5
STATEMENT OF COMPREHENSIVE INCOME .....	7
STATEMENT OF FINANCIAL POSITION.....	8
STATEMENT OF CHANGES IN RESERVES.....	9
NOTES TO THE FINANCIAL STATEMENTS.....	10

## Report of the Board for the year ended 31 March 2017

The Board presents its report and the audited financial statements of Nuru Fund Limited for the year ended 31 March 2017.

### Board members

The members who held office during the year are as follows:

Ian Porter	(resigned 31 December 2016)
Julie Shipley	(resigned 22 June 2016)
Louise Bassett	(appointed 22 June 2016)
Michelle Meldrum	
Sally Hancox	(resigned 1 August 2016)
Stephen Lanaghan	(resigned 1 August 2016)

### Principal activities

The Society's principal activities during the year were the aid of those in need by reason of ill-health, financial hardship or other disadvantage and the advancement of environmental improvement by creating more sustainable communities in developing countries. On 22 April 2016, the activities of Nuru Fund were taken over by the North East charity COCO (Comrades of Children Overseas) and Nuru Fund was therefore dormant from this date.

### Society status

Nuru Fund Limited is a Registered Society under the Co-operative and Community Benefit Societies Act 2014 and is a subsidiary of Gentoo Group Limited.

### Results for the year

The results for the year are set out on page 7.

### Political contributions

The Society made no political donations and incurred no political expenditure during the year.

### Disclosure of information to auditor

The board members who held office at the date of approval of this Board Report confirm that, so far as they are each aware, there is no relevant audit information of which the Society's auditor is unaware; and each board member has taken all the steps that they ought to have taken as a board member to make themselves aware of any relevant audit information and to establish that the Society's auditor is aware of that information.

### Auditor

In accordance with section 83 of the Co-operative and Community Benefit Society Act 2014, a resolution for the appointment of an auditor of the Society is to be proposed at the forthcoming Annual General Meeting.

By order of the board:



**Louise Bassett**  
Board Member  
18 July 2017



**Michelle Meldrum**  
Board Member  
18 July 2017



**Simon Walker**  
Secretary  
18 July 2017

Emperor House  
2 Emperor Way  
Doxford International Business Park  
Sunderland  
SR3 3XR

## **Statement of Board's responsibilities in respect of the Board Report and the Financial Statements**

The Board is responsible for preparing the Board Report and the Society's financial statements in accordance with applicable law and regulations.

Co-operative and Community Benefit Society law requires the Board to prepare financial statements for each financial year. Under that law the Board has elected to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

The financial statements are required by law to give a true and fair view of the state of affairs of the Society and of the income and expenditure the Society for that period.

In preparing the Society's financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

The Board is responsible for keeping proper books of account that disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that its financial statements comply with the Co-operative and Community Benefit Societies Act 2014. The Board has general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Society and to prevent and detect fraud and other irregularities.

The Board is responsible for the maintenance and integrity of the corporate and financial information included on the Gentoo Group's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



KPMG LLP  
Quayside House  
110 Quayside  
Newcastle upon Tyne  
NE1 3DX

### **Independent auditor's report to Nuru Fund Limited**

We have audited the financial statements of Nuru Fund Limited for the year ended 31 March 2017 set out on pages 7 to 13. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

This report is made solely to the Society in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014 and, in respect of the reporting on corporate governance, on terms that have been agreed. Our audit work has been undertaken so that we might state to the Society those matters we are required to state to it in an auditor's report and, in respect of the reporting on corporate governance, those matters we have agreed to state to it in our report, and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of Board and auditor**

As more fully explained in the Statement of Board's Responsibilities set out on page 4 the Society's Board is responsible for the preparation of financial statements which give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the Society's affairs as at 31 March 2017 and of the income and expenditure of the Society for the year then ended; and
- comply with the requirements of the Co-operative and Community Benefit Societies Act 2014.

**Independent auditor's report Nuru Fund Limited (continued)**

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

We have nothing to report in respect of the following.

Under the Co-operative and Community Benefit Societies Act 2014 we are required to report to you if, in our opinion:

- the Society has not kept proper books of account; or
- the Society has not maintained a satisfactory system of control over its transactions; or
- the financial statements are not in agreement with the Society's books of account; or
- we have not received all the information and explanations we need for our audit.



**Mick Thompson**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
Chartered Accountants  
Quayside House  
110 Quayside  
Newcastle upon Tyne  
NE1 3DX

24 July 2017

**Statement of comprehensive income**  
 for the year ended 31 March 2017

	Note	2017 £	2016 £
Turnover	2	4,713	19,552
Administrative expenses	3	(40,118)	(9,293)
<b>(Deficit) / surplus before taxation</b>		<b>(35,405)</b>	<b>10,259</b>
Taxation on (deficit) / surplus	5	-	-
<b>(Deficit) / surplus for the financial year</b>		<b>(35,405)</b>	<b>10,259</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the year</b>		<b>(35,405)</b>	<b>10,259</b>

The notes on pages 10 to 13 form part of the financial statements.



**Louise Bassett**  
 Board Member  
 18 July 2017



**Michelle Meldrum**  
 Board Member  
 18 July 2017



**Simon Walker**  
 Secretary  
 18 July 2017

**Statement of financial position**  
at 31 March 2017

	2017	2016
	£	£
<b>Current assets</b>		
Cash at bank and in hand	-	35,405
<b>Net assets</b>	-	35,405
<b>Capital and reserve</b>		
Revenue reserve	-	35,405
	-	35,405

The notes on pages 10 to 13 form part of the financial statements.

These financial statements were approved by the Board on 18 July 2017 and were signed on its behalf by:



**Louise Bassett**

Board Member

18 July 2017



**Michelle Meldrum**

Board Member

18 July 2017



**Simon Walker**

Secretary

18 July 2017

Registered number: 32102R



**Statement of changes in reserves**

	<b>Revenue reserve £</b>
Balance at 1 April 2015	25,146
<b>Total comprehensive income for the year</b>	
Surplus	10,259
<b>Balance at 31 March 2016</b>	<b>35,405</b>
Balance at 1 April 2016	35,405
<b>Total comprehensive income for the year</b>	
Deficit	(35,405)
<b>Balance at 31 March 2017</b>	<b>-</b>

## Notes to the financial statements

For the year ended 31 March 2017

### 1. Accounting policies

#### **Legal status**

Nuru Fund Limited (the "Society") is a Registered Society under the Co-operative and Community Benefit Societies Act 2014 and domiciled in the UK. The Society also has charitable status with HM Revenue & Customs, reference number EW03129.

#### **Basis of accounting**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102")* as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling.

The Society's parent undertaking, Gentoo Group Limited includes the Society in its consolidated financial statements. The consolidated financial statements of Gentoo Group Limited are available to the public and may be obtained from Emperor House, 2 Emperor Way, Doxford International Business Park, Sunderland, SR3 3XR. In these financial statements, the Society is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosure:

- Cash Flow Statement and related notes.

The Society proposes to continue to adopt the reduced disclosure framework of FRS 102 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

#### **1.1. Measurement convention**

The financial statements are prepared on the historical cost basis.

#### **1.2. Going concern**

On 22 April 2016, the activities of Nuru Fund were taken over by the North East charity COCO (Comrades of Children Overseas) and therefore Nuru Fund was dormant from this date. As a result, there were no liabilities as at the year end.

#### **1.3. Classification of financial instruments issued by the Society**

In accordance with FRS 102.22, financial instruments issued by the Society are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the society to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the society; and
- (b) where the instrument will or may be settled in the society's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the society's own equity instruments or is a derivative that will be settled by the society's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

## **Notes to the financial statements**

For the year ended 31 March 2017

### **1. Accounting policies (continued)**

#### **1.3. Classification of financial instruments issued by the Society (continued)**

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Society's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

#### **1.4. Basic financial instruments**

##### *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances.

#### **1.5. Turnover**

Turnover represents donations received which fall within the Society's ordinary activities and is recognised on a receipts basis as they are not committed until they are received.

#### **1.6. Taxation**

Tax on the surplus or deficit for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years.

### **2. Turnover**

The turnover, all of which arises in the UK, is attributable to the principal activities of the Society.

### **3. Expenses and auditor's remuneration**

The auditor's remuneration of £2,116 (2016: £2,064) is borne by Gentoo Group Limited.

### **4. Staff numbers and costs**

The Society has no employees other than the Board members, who did not receive any remuneration, as they are remunerated via Gentoo Group Limited, the parent company.

**Notes to the financial statements**  
 For the year ended 31 March 2017

**5. Taxation**

**Total tax expense recognised in the statement of comprehensive income**

	2017	2016
	£	£
<i>UK corporation tax</i>		
Current tax on surplus for the year	-	-
Total current tax	-	-
Taxation on (deficit) / surplus	-	-

Nuru Fund is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is exempt from taxation in respect of income or capital gains received within the categories covered by Chapter 3 Part 11 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**Reconciliation of effective tax rate**

	2017	2016
	£	£
(Deficit) / surplus for the financial year	<b>(35,405)</b>	10,259
Total tax expense	-	-
(Deficit) / surplus excluding taxation	<b>(35,405)</b>	10,259
Tax using the UK corporation tax rate of 20% (2016: 20%)	<b>(7,081)</b>	2,052
Charitable tax exemptions	<b>7,081</b>	(2,052)
<b>Current tax charge for the year</b>	-	-

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the Society's future current tax charge accordingly.

**6. Related parties**

*Identity of related parties with which the Society has transacted*

The Society is a wholly owned subsidiary of Gentoo Group Limited.

**Notes to the financial statements**

For the year ended 31 March 2017

**7. Ultimate parent undertaking**

The Society is a subsidiary undertaking of Gentoo Group Limited which is the ultimate controlling party. This is the only group in which the results of the Society are consolidated. The consolidated financial statements of Gentoo Group Limited are available to the public and may be obtained from the Company Secretary, Gentoo Group Limited, Emperor House, 2 Emperor Way, Doxford International Business Park, Sunderland, SR3 3XR.