

Charity Number: 1002876

THE SAUDI BRITISH SOCIETY
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

CHANTER, BROWNE & CURRY
Chartered Accountants
1 Plato Place
72-74 St Dionis Road
London SW6 4TU.

THE SAUDI BRITISH SOCIETY

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THE SAUDI BRITISH SOCIETY

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

The trustees present their annual report with the financial statements of the charity for the year ended 31 December 2014.

Patron	H.R.H. The Prince of Wales KG
President	H.R.H. Prince Mohammed bin Nawaf Al-Saud
Honorary Vice-President	Sir Alan Munro KCMG
Chairman	Sir Sherard Cowper-Coles KCMG LVO
Honorary Secretary	Mrs Ionis V Thompson
Honorary Treasurer	Mr Syed Ali Abbas
Trustees	Sir Sherard Cowper-Coles KCMG LVO Mrs Ionis V Thompson Mr Syed Ali Abbas Mr Anthony Bailey OBE, GCSS Brigadier Nicholas Cocking Mr Mu'awiya Derhalli Mrs Caroline Montagu Mr David Lloyd Mr Abdulrahman Al-Suhaibani Mr Rasheed Alajmi Ms Carolyn Perry Dr Asma Siddiki Dr. Abdulaziz Alwasil
Registered charity number	1002876
Registered office	1 Gough Square London EC4A 3DE.
Independent examiner	Chanter, Browne & Curry Chartered Accountants 1 Plato Place 72-74 St Dionis Road London SW6 4TU.
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ. National Westminster Bank 1-4 Berkeley Square House Berkeley Square London W1A 1SN.

THE SAUDI BRITISH SOCIETY

TRUSTEES' REPORT (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2014**

Structure, Governance and Management

Governing Document

The Society was formed on 19 January 1987 to further cordial relations between Britain and Saudi Arabia. The Saudi British Society was registered by the Charity Commission on 23 May 1991. The charity has a trust deed which sets out the Society's objects and powers.

Recruitment and Appointment of Trustees

Appointment of trustees is governed by the Trust Deed of the charity. The Board of Trustees is authorised to appoint new trustees to fill vacancies arising through resignation or death of an existing trustee.

Trustee Induction

Trustees are given documents relating to the rules and obligations of trustees as set out by the Charity Commission.

Risk management

The trustees actively review the major risks which the Society faces on a regular basis and believe that maintaining reserves at current levels, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks.

Organisational Structure

The Society has a President who is always the Saudi Arabian Ambassador in London, and an elected Committee. The Society has an honorary Secretary and Treasurer. There is also a part-time administrator.

Objectives and Activities

The Society's objects are to help promote closer friendship and understanding between the people of Saudi Arabia and the United Kingdom. The Society is a social, cultural, non-political and non-commercial organisation. It aims to bring together British citizens who have an interest in Saudi Arabia and Saudi Arabian citizens who are resident in, visitors to or interested in the UK. It aims also to provide a medium through which hospitality may be offered to Saudi Arabians visiting or living in the UK.

In planning its activities for the year, the Society's trustees have considered the Charity Commission's general guidance on public benefit.

The Society's activities have included receptions for important visitors, dinners, exhibitions and lectures. The Society takes an active interest in the activities of the King Fahd Academy in Ealing.

THE SAUDI BRITISH SOCIETY

TRUSTEES' REPORT (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2014**

Achievements and Performance

The Society has maintained a good level of activity during the past year. The evening talks continued to be popular with members with subjects that aroused particular interest. In March 2014, Sir John Jenkins, British Ambassador to Saudi Arabia, gave a well received talk about Saudi Arabia in the Wider Region. In May, Julian Lush gave a fascinating talk on bee-keeping in Arabia, following the tour he had organised in which British Beekeepers visited bee-keepers in the Asir and discussed bee-keeping techniques with Saudi academics specialising in the subject. Following the Society's Annual General Meeting in June, The Rt. Hon. Baroness Symons of Vernham Dean, gave a talk entitled "Experiences of Arabia".

In October 2014, Roger Harrison, author of "Wings Over Arabia" gave a talk and presented aerial views taken on an expedition by glider over the western region of Saudi Arabia. In November, Dr. Basmah Mosleh Omair, CEO of Alsayedah Khadiya Bint Khawilid Businesswomen Centre, Jeddah, gave the annual Ghazi Al Gosaibi Memorial Lecture. She spoke on the theme of Saudi women and their participation in National Development.

In February 2014 the two Al Rawabi Group prizes for outstanding contribution to Saudi-British relations were presented. The prizes were awarded to Sir James Craig and Michael Field. Sir James Craig is a former Ambassador to Saudi Arabia and Vice-Chairman and founder member of The Saudi British Society. Michael Field is an author and journalist who has worked for the Financial Times and other publications concerned with the Middle East. His books include "Merchants: the Big Business Families of Arabia", which gave a unique insight into the make-up of Saudi Arabia's business sector.

The Society has been working actively to identify and contact members of the Saudi student body, who are invited to attend meetings, and given concessionary membership rates.

Financial review

The attached financial statements summarise the Society's transactions for the year ended 31 December 2014. The trustees are satisfied with the financial situation of the Society.

Principal Funding Sources

The Society's principal sources of funding are:-

- (a) members' subscriptions;
- (b) members' contributions towards events held by the Society.

Investment Policy

The Trust Deed authorises the trustees to make and hold investments using the general funds of the charity. The trustees are pleased with the increase in the value of the investments during the year. The Trustees took independent advice before making the investments, and continue to take independent advice regarding the portfolio composition. The funds will be retained in a cautious portfolio.

Reserves policy

It is the policy of the charity to maintain unrestricted funds at a level which equate to approximately 12 months unrestricted expenditure. This provides sufficient funds to cover management and administration and support costs. Unrestricted funds are maintained at least at this level throughout the year.

THE SAUDI BRITISH SOCIETY

TRUSTEES' REPORT (CONTINUED) **FOR THE YEAR ENDED 31 DECEMBER 2014**

Plans for Future Periods

The ninth annual Al Rawabi Holdings Prizes were presented in February 2015. Further talks on a range of topics are planned for 2015.

Trustees' responsibilities

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing those financial statements, the trustees are required to:

- (a) select suitable accounting policies and apply them consistently;
- (b) make judgements and estimates that are reasonable and prudent;
- (c) state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- (d) prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Examiner

The trustees intend to ask the existing accountants to undertake the independent examination of the Society's accounts in the following year.

This report was approved by the trustees on 9 June 2015 and is signed on their behalf.

.....
Sir Sherard Cowper-Coles KCMG LVO
Chairman

THE SAUDI BRITISH SOCIETY

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

I report on the accounts of the Society for the year ended 31 December 2014, which comprise the Statement of Financial Activities, the Balance Sheet and the related notes.

Respective responsibilities of trustees and examiner

As the charity's trustees, you are responsible for the preparation of the accounts. You consider that the audit requirement of section 144 of the Charities Act 2011 (the Charities Act) does not apply, and that an independent examination is needed.

It is my responsibility:-

- to examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 14(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matters have come to my attention:

- 1) which give me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 130 of the Charities Act;
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Charities Act have not been met; or
- 2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

.....
P.G. Browne FCA CTA

Chanter, Browne & Curry

Chartered Accountants
1 Plato Place
72-74 St Dionis Road
London
SW6 4TU

9 June 2015

THE SAUDI BRITISH SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2014

	<u>Notes</u>	<u>Unrestricted funds</u>	
		<u>2014</u>	<u>2013</u>
		<u>£</u>	<u>£</u>
Incoming resources	1.2		
Subscriptions and contributions receivable		4,609	3,801
Al Rawabi Group Prize income		15,000	14,000
Donations received		1,515	2,600
Bank interest received		2	2
Total incoming resources		<u>21,126</u>	<u>20,403</u>
Resources expended			
Costs of generating funds	1.3, 2	13,416	19,766
Charitable expenditure			
Charitable activities	1.3, 3	1,959	1,782
Governance costs	1.3, 3	810	780
Total resources expended		<u>16,185</u>	<u>22,328</u>
Net incoming/(outgoing) resources before other recognised gains and losses		4,941	(1,925)
Other recognised gains and losses			
Profit/(loss) on revaluation of investments	5	1,595	2,816
Net movement in funds		6,536	891
Reconciliation of funds			
Total funds brought forward		41,409	40,518
Total funds carried forward	7	<u>47,945</u>	<u>41,409</u>

The Statement of Financial Activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

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BALANCE SHEET AT 31 DECEMBER 2014

	<u>Notes</u>	<u>Unrestricted funds</u>			
		<u>2014</u>			<u>2013</u>
		<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Fixed assets					
Investments	5		35,870		34,275
Current assets					
Cash at bank and in hand		18,285		7,914	
Creditors: amounts falling due within one year	6	(6,210)		(780)	
Net current assets			<u>12,075</u>		<u>7,134</u>
Total assets less current liabilities			<u>47,945</u>		<u>41,409</u>
Funds					
Unrestricted income funds:-					
General fund	7		<u>47,945</u>		<u>41,409</u>

Approved by the trustees and signed on their behalf:-

.....
Sir Sherard Cowper-Coles KCMG LVO
Chairman

Date: 9 June 2015.

THE SAUDI BRITISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 DECEMBER 2014**

1 Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

1.1 Basis of preparation of the accounts

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). In preparing the financial statements the charity follows best practice as laid down in the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in 2005.

1.2 Incoming resources

Subscriptions and donations are recorded as income in the period in which they are received, except where the donor specifies that the donation should be used for a specific period.

1.3 Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Costs of generating funds comprise costs directed related to the Society's activities during the year, including the costs of holding the buffet evening and lectures.

Governance costs represents accountancy fees. All other expenditure is included under charitable expenditure.

2 Costs of generating funds	2014	2013
	£	£
Al Rawabi Group Prize	10,000	10,000
Receptions and meetings	3,416	9,766
	<hr/>	<hr/>
	13,416	19,766
	<hr/> <hr/>	<hr/> <hr/>

THE SAUDI BRITISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

3 Charitable expenditure	2014	2013
	£	£
Charitable activities		
Staff costs		
- administrator's salary	1,000	1,000
Office costs	959	782
	<u>1,959</u>	<u>1,782</u>
Governance costs		
Accountancy fees	810	780
	<u>810</u>	<u>780</u>

None of the trustees (nor any persons connected with them) received any remuneration nor were reimbursed for expenses during the year.

The average number of employees during the year was 1 (2013: 1).

4 Taxation

As a charity, The Saudi British Society is exempt from tax on income and gains where they are applied for charitable purposes. No tax charges have arisen in the two years ended 31 December 2014.

5 Fixed asset investments

	<u>Investment</u>
	<u>funds</u>
	£
At 1 January 2014	34,275
Revaluation	1,595
	<u>35,870</u>
At 31 December 2014	<u>35,870</u>

6 Creditors: amounts falling due within one year	2014	2013
	£	£
Accruals and sundry creditors	6,210	780
	<u>6,210</u>	<u>780</u>

THE SAUDI BRITISH SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2014

7 Statement of funds

	<u>General reserve</u>
Unrestricted funds	£
Balance at 1 January 2014	41,409
Incoming resources	21,126
	<hr/>
	62,535
Resources expended	(16,185)
Gain/(loss) on revaluation of investments	1,595
	<hr/>
Balance at 31 December 2014	<u>47,945</u>