

Company number: 09644561
Charity number: 1163214

Team Rubicon UK

Report and Financial Statements

For the year ended 31 March 2019

Team Rubicon UK

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Team Rubicon UK

Reference and administrative information

For the year ended 31 March 2019

Company number 09644561

Charity number 1163214

Registered office and operational address _____ Chilmark, Salisbury SP3 5DU

Country of registration England & Wales

Country of incorporation United Kingdom

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

_____ Sir Nick Parker Chair

_____ Nick Fothergill

Sara George

Andrew Purvis

Mark Sedwill

David Wiseman

Andrew Maclean (appointed 27 June 2018)

Kate Holt

Stephen Hunt

Paul Gudonis

Honorary Company Secretary Peter Woodward (retired 30 November 2018)

Key management personnel Richard Sharp Chief Executive
Stuart Lane Director Field Operations (to 31 March 2019)
Claire Marshall Finance Director
(1 March 2018 to 6 June 2019)

Bankers Barclays Bank
89 Charterhouse Street
London, EC1M 6PE

Solicitors Stone King LLP
Boundary House
91 Charterhouse St
London, EC1M 6HR

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108-114 Golden Lane
London, EC1Y 0TL

Team Rubicon UK

Trustees' annual report

For the year ended 31 March 2019

The trustees present their report and the audited financial statements for the year ended 31 March 2019.

Reference and administrative information set out on page one forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and Activities

Purposes and aims

Team Rubicon UK unites experienced military veterans with seasoned first responders and skilled civilians to rapidly deploy emergency response teams to disasters in the UK and overseas in order to immediately improve the quality of life of those affected.

Operations

Team Rubicon UK provides urgent and effective assistance in the aftermath of disasters, working alongside other relief agencies and local authorities. Skilled, experienced and well-equipped teams, composed in particular, but not exclusively, of former armed forces and emergency services personnel, are deployed as quickly as possible to provide humanitarian aid and disaster relief.

Sustainable Development programs allow Team Rubicon UK to return to regions affected by disaster to assist other NGO's in rebuilding communities through training and infrastructure projects.

Team Rubicon UK also advances citizenship and community development by offering volunteers opportunities to get involved in projects that meet the needs of communities in the United Kingdom. These projects are identified in cooperation with other voluntary organisations and the emergency services. In this way, Team Rubicon UK enables its volunteers to acquire and hone the necessary skills to carry out effective, practical disaster relief work.

Membership

Through continued service, Team Rubicon seeks to provide veteran volunteers with three things often lost after leaving the military: a sense of purpose through participation in disaster relief; a sense of community from serving with others; and a feeling of self-worth. Through leadership development and other opportunities, Team Rubicon UK works to empower veterans to make the transition from military to civilian life.

Training

Team Rubicon UK recruits, trains and equips volunteers so that it can deploy effective, nimble teams to areas affected by disaster. In addition, volunteers are encouraged to plan and conduct service projects in their own communities within the UK to promote teamwork and service to others. Team Rubicon UK also conducts service projects in areas outside the UK that are at risk from, or have previously been affected by, disasters.

Team Rubicon UK raises awareness of its activities and raises funds to cover the costs of recruiting, training and deploying volunteers in line with its charitable aims.

Delivering public benefit

The trustees review the aims, objectives and activities of the charity each year. This report looks at achievements and outcomes during the reporting period. The trustees report on the success of each key activity, noting how Team Rubicon UK's operations have benefitted local populations. The review helps trustees ensure the charity's aims and activities remained focused on its stated purposes.

The trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and when planning future activities. In particular, the trustees consider how planned activities will contribute to the objectives that have been set.

During the financial year 2018-19, Team Rubicon UK conducted, or took part in, 12 disaster relief operations, assessments or service projects. Four of these were disaster relief operations outside the UK, six were international project assessments or deliberate operations and two were domestic assessment and service projects. Details of these are provided in the Achievements and Performance section below.

Achievements and Performance

The charity's main activities are described below. All its charitable activities focus on disaster relief and sustainable development projects which are undertaken to further Team Rubicon UK's charitable purposes for the public benefit.

Team Rubicon UK was registered as a UK charity on 19 August 2015 following discussions between UK volunteers and Team Rubicon Global, whose role it is to set up Team Rubicon organisations around the world. Team Rubicon UK is based on the Team Rubicon USA model, which has become a very effective organisation since its inception in 2010.

Team Rubicon UK was formed in mid-2015 and a small executive team was recruited to set up the charity's training and operational structure. Volunteers were deployed to operations and service projects both in the UK and abroad. Following the successful change of leadership of the charity in November 2018, this financial period has been focused on developing a sustainable fundraising pipeline, raising the charity profile and increasing brand awareness in the UK as well as international aid agencies. Due to the exceptional work ethic displayed by our teams in Mozambique in March 2019, we successfully partnered with Plan International, OCHA and other International agencies in delivering life-saving aid to remote communities in the region. Circa 177,000 survivors benefitted from Team Rubicon UK's assistance over a 6-week period.

Operations

- Lapubesi, Nepal – May 2018. A planned operation to Lapubesi in Nepal delivered solar power solutions to the Lapubesi community that had been living without power since the Nepal earthquake in 2015. To demonstrate the pure tenacity of the team, when the terrain became treacherous and impassable for vehicles, the team carried the solar power equipment for the final miles of the route to its final destination.

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For the year ended 31 March 2019

- Birmingham & Kent, UK – May 2018. A small team deployed to the Kent and Birmingham areas to assist local communities to clear affected houses in the immediate aftermath of localised flooding following severe storms in the regions.
- British Virgin Islands – July 2018. Following the devastation from Hurricane Irma in September 2017 a number of Team Rubicon UK teams returned to the BVI to deliver disaster resilience training to government officials and local communities. The teams worked alongside Unite BVI to provide training in precautionary measures to preserve life in the event of future natural disasters.
- Rinjani, Indonesia – August 2018. After an earthquake measuring 7.9 hit the island of Lombok, a partnership with a local Indonesian NGO allowed Team Rubicon teams access to the region to assist survivors on the ground.
- Haiti – September 2018. Team Rubicon UK partnered with Feed the Hungry on a planned operation to build 12 kitchens for schools in the region to encourage children to return to education.
- Saluwesi, Indonesia – October 2018. Working alongside Team Rubicon Australia and ACT (a local NGO), teams deployed to Saluwesi after a catastrophic tsunami and earthquake devastated the region. The teams provided water purification solutions to local communities and drone assessments to government agencies. The drone footage was used to assess the damage caused by the tsunami and assist aid agencies with route access to remote communities.
- Sierra Leone – November 2018. Team Rubicon UK was contracted by RCEL (Royal Commonwealth Ex-services League) to deploy a team to Sierra Leone to work with locals to build a community chicken coop on a remote goat farm to allow the community to become self-sufficient and will permit access to sustainable sources of food, thus reducing hunger and improving the early life of infants in the region.
- Sunda Strait, Indonesia - December 2018. A team deployed to Indonesia on Christmas day in 2018 to deliver clean water solutions to local communities affected by the Tsunami that devastated the region on the 23rd December 2018.
- Democratic Republic of Congo – January 2019. CEO and colleague deployed to recce potential DRR projects for the future within Goma and Virunga National Park.
- Kathmandu, Nepal – February 2019. Team Rubicon UK delivered disaster management training across four locations, to the Gurkha Welfare Trust in Kathmandu as part of the GWT annual disaster preparedness project. This is an annual project for Team Rubicon UK, in partnership with the GWT.
- Weston-Super-Mare, UK – March 2019. Team Rubicon UK was invited to send teams to assist the national TV programme, DIY SOS.
- Beira, Mozambique – March/April 2019. Team Rubicon UK deployed teams to Mozambique over a six week period to assist with the relief efforts after Cyclone Idai

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Trustees' annual report

For the year ended 31 March 2019

devastated the region. Teams were invited to partner with Plan International and OCHA to assist with route clearance and deliver aid alongside Mercy Air to affected remote communities.

Plans for future periods

Team Rubicon UK's deployment to devastated communities in Mozambique in response to Cyclone Idai resulted in the operation spanning a six week period from March to April 2019. As well as the partnerships mentioned above, LifeStraw and Amazon were instrumental in providing water purification systems to the affected survivors in the more remote communities.

Since the end of the year TR UK has returned to the Democratic Republic of Congo (DRC) to assess sustainable and resilience opportunities in the region. A report has been drafted to assist with the provision of electricity to an orphanage and rebuild a hospital in the Virunga National Park.

Team Rubicon UK returned to the Caribbean in July 2019 to deliver a remote clinics energy resilience project. This was set up as part of the rebuild program in the region after Hurricane Irma devastated the islands in September 2017.

Training and membership

During the year Team Rubicon UK ran a number of internal leadership and specialist courses to ensure our volunteer base was trained to a high level of preparedness. Details of these courses are:

Induction	5 courses	122 new recruits
International Operations	4 courses	56 trained
Operational Leadership	3 courses	27 trained
Specialist courses	14courses	101 trained

Specialist courses include, Hostile environment training, Drones, spontaneous volunteer management and chainsaw certification to name a few. These courses are provided by partner organisations free of charge.

Through its critical and timely interventions at home and abroad, Team Rubicon UK provided its volunteers with meaningful and purposeful opportunities to serve others, fulfilling one of its key objectives. By the end of the financial year, 3,448 volunteers had signed up with Team Rubicon UK.

Financial Review

Team Rubicon UK was awarded a £2.5m multi-year grant from the UK Treasury in July 2015. This money has been used to establish Team Rubicon UK and build a sustainable and self-funding organisation. In August 2015, an initial drawdown of £500,000 was made and used to establish the charity, recruit key permanent staff and fund disaster relief operations and service projects. A further £1m was drawn down in the FY 2016-17 and £0.5m was drawn down at the beginning of the FY 2017-18. The remaining £0.5m grant was drawn down in financial year 2018-19.

There has been a period of re-structuring within the headquarter staff, particularly amongst the development team, which has impacted on a consistent level of income. Those phased by the scale

Team Rubicon UK

Trustees' annual report

For the year ended 31 March 2019

and responsive nature of our operation and unable to build our network of supporters and donors have now moved on. This resulted in an unbudgeted deficit on unrestricted funds for the year.

A financial plan and pipeline strategy has been drafted to build sustained fundraising capacity now that the Treasury funding has been drawn down. Public and corporate donors as well as trusts and foundations are highlighted as planned sources of income.

Team Rubicon UK has benefited from significant gifts in kind and pro bono work during the reporting period and since the year-end including, but not limited to, reduced flight costs, technical communications equipment, strategic consultancy and Sky TV access.

Principal Risks and Uncertainties

Key risks were identified and reviewed, including operational risks that could arise while teams are on deployment. A Risk Register has been created and is regularly updated. Below is the list of principal risks for Team Rubicon UK as well as mitigating actions:

- Injury or serious incident involving beneficiaries, volunteers or members of staff on operations. Action: training, implementation of serious incident procedures, insurance cover and deployment reviews.
- Loss of key funding (eg UK Treasury funds). Action: develop and deliver a fundraising strategy and accurate pipeline across a broad range of donors and manage cost-base to remain within available liquidity means.
- Data breach involving sensitive information. Action: use of trusted providers, data encryption and disciplined implementation of relevant policies and procedures.

Reserves Policy

The Team Rubicon UK board policy for holding reserves is to target a level of reserves that represents six months' core operating expenditure. Cash reserves are monitored on a monthly basis and as the reserves have fallen below the target level at year end the cash and projected pipeline is reported in detail at each trustee board meeting. As of 31 March 2019 unrestricted free reserves (unrestricted general funds less fixed assets) stood at £172,636, this represents three months of reserves at current monthly expenditure, being the costs which will be incurred whether or not Team Rubicon UK is deployed on operations.

The trustees have noted that Team Rubicon Global has contingency funds that might be called upon in the event of emergency shortfalls.

Future Plans

Team Rubicon UK plans to continue its growth in 2019-20 in line with the board-led strategic plan. The four key areas of development are:

- Developing fundraising streams to ensure long-term sustainability
- Raising the profile of Team Rubicon within the UK
- Recruiting and training volunteers
- Leading international and domestic disaster responses

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For the year ended 31 March 2019

A small event was hosted at the Cavalry and Guards Club in London at the end of March 2019. There will be a number of small select events for high net worth and major donors over the course of the year.

Approach to fundraising

Team Rubicon UK's approach to fundraising has changed course over the past 12 months, firstly due to a shift in personnel but most importantly due to the nature of the work we have undertaken. TRUK has delivered its most impressive operations across Indonesia, Mozambique and the Bahamas with our PR and national media reaching highest figures to date. Donations to our cause have grown as a result, as have valuable relationships and connections both to high value donors, corporate opportunities and grant giving organisations. We now have an impressive list of individuals who we are stewarding who can make significant gifts during a response and these fall outside the standard pipeline of activity (i.e Andrew White, £50k, Baroness Scotland £25k). We are steadily building a Rapid Response cohort of Trusts and Foundations (i.e. commitment £25k Edward Gostling, £25k H2H Network, £50k All We Can, £15k Exodus Foundation, £25k City of London, £15k Emso).

In addition, we also now have the commendation and endorsement from major international players such as UNOCHA and the Commonwealth who are working with us to navigate the international funds available that will give us strategic international projects and collaborations to deliver greater levels of humanitarian aid.

Our community fundraising is growing, and our cohort of volunteers have online tool kits for the first time that will help undertake their own fundraising and there is an expectation and understanding that they need to do so. Each of our 2,000 volunteers will be tasked with raising up to £500 (more is great!) over the course of 12 months with a variety of opportunities available to do so with online support from us. The world record Skydiving attempt in 2020 will be a natural fit for our volunteers and we anticipate a huge swell in funds from this activity with core costs covered in their payment to secure their place.

We also have a new wave of philanthropists who have undertaken humanitarian work with TRUK who are passionate, connected and wealthy. In March we will see a dinner in honour of TRUK that is expected to raise £250k and will increase our pipeline of connections and opportunities.

TRUK has a new Director of Development, an experienced and passionate team player who has devised a fundraising plan that firstly developed the aforementioned response partners and is creating communication tools for multi players to avoid delay or duplication. There is now a dedicated high net worth donor fundraiser who is, for the first time, strategically developing relationships with donors who have a sympathy and propensity to give on a grander scale. Finally, there is a Corporate Fundraiser from January 2020 who will be responsible for the mid-sized corporates who can offer TRUK an unrestricted pipeline through staff engagement with Charity of the Year nominations.

Fundraising goals:

With our dedicated team of 3 employed fundraisers we will maximise income for TRUK by developing strategies to maintain long term, committed, multi-year relationships with donors at all levels of giving and support.

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For the year ended 31 March 2019

- Eliminate operating deficit
- Provide investment for charitable objectives development and delivery
- Recruit new supporters
- Grow unrestricted income
- Build long lasting relationships with supporters

TRUK is registered with the Fundraising Regulator and complies with their codes of operation with no breaches during this reporting period.

There is a TRUK Complaints Register and no complaints have been received during this reporting period.

The nature of how and where TRUK operates means we take our safeguarding responsibility towards vulnerable people very seriously, be they victims of a natural disaster that we are responding to, or our own employees and volunteers. We have a detailed Safeguarding Policy which is regularly reviewed, the responsibilities of the Trustees are re-stated at Board Meetings and Safeguarding forms part of the curriculum on all our training courses which will include scenarios and role play where appropriate.

Structure, Governance and Management

The organisation is a charitable company limited by guarantee, incorporated on 17 June 2015 and registered as a charity on 19 August 2015.

The company was established under a memorandum of association, which established the objects and powers of the charitable company and is governed under its articles of association.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in Note 5 to the accounts.

Day-to-day operations are delegated to the Chief Executive and the Senior Management Team. Trustees meet four times a year and provide strategic direction and governance oversight.

All new trustees are provided with an induction pack, which includes the charity's Memorandum of Association, a statement of trustee roles and responsibilities, conflict of interest policy and relevant guidance from the Charity Commission. The Chair meets with each new trustee individually and a programme of support and training is available for new trustees.

Appointment of Trustees

Initially, Team Rubicon UK trustees were selected and appointed by two members of the Team Rubicon Global Board of Trustees, based on suitability and commitment. Since then, the board has selected trustees based on their skills and experience so that there is a good professional and cultural fit.

Related Parties and Relationships with other Organisations

Team Rubicon UK operates as an independent UK charity but is affiliated to Team Rubicon Global, which incubates, launches, oversees and enables Team Rubicon organisations in countries around the world. It helps them reach maturity and supports international deployments. Team Rubicon Global maintains brand control, shares stories, sets operating standards and maintains strategic international relationships.

Two of Team Rubicon UK's trustees (including the Chair) also serve as trustees on the Team Rubicon Global Board.

Team Rubicon UK made an initial payment to Team Rubicon Global for the right to use the brand and to receive toolkits, set-up training and advice. Team Rubicon UK had made provisions for annual payments to Team Rubicon Global for brand maintenance, international stakeholder management, international/multi-national deployment coordination, training and mentoring, and support to fundraising. During the year it was confirmed that no charge would be made for these services, so the provision has been written back in full to the SOFA, resulting in a negative cost for payments to Team Rubicon Global in the current year.

A number of grants were awarded to Team Rubicon UK from Team Rubicon Global within the financial year. Restricted funds included grants for the rebuild of kitchens in Haiti and donations received for Op Palu in Indonesia in October 2018.

Remuneration Policy for Key Management Personnel

To be effective, Team Rubicon UK must attract and retain the right staff and reward good work. The board sets the Chief Executive's remuneration and other key management salaries are set by the Chief Executive in conjunction with the board, taking account of remuneration for similar roles within the sector. The board reviews remuneration annually as part of the annual budgeting process.

Statement of Responsibilities of the Trustees

The trustees (who are also directors of Team Rubicon UK for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, giving a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent

Trustees' annual report

For the year ended 31 March 2019

- State whether applicable UK Accounting Standards and Statements of Recommended Practice 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 charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and taking reasonable steps to prevent and detect fraud and other irregularities.

Insofar as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees as of 31 March 2019 was 10 (2018 - 9). The trustees are members of the charity but this only entitles them to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was appointed as the charitable company's auditor during the year and has expressed its willingness to act in that capacity.

The trustees' annual report was approved by the trustees on 18th December 2019 and signed on their behalf by

Sir Nick Parker
Chair

Independent auditor's report

To the members of

Team Rubicon UK

Opinion

We have audited the financial statements of Team Rubicon UK (the 'charitable company') for the year ended 31 March 2019 which comprise the statement of financial activities, balance sheet, statement of cash flows 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2019 and of its incoming resources and application of resources, including its income and expenditure, 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

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 the financial statements section of our report. We are independent of the charitable 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable 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 trustees' annual report other than the financial statements and our auditor's report thereon. The trustees 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

Independent auditor's report

To the members of

Team Rubicon UK

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 trustees' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which 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 trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 trustees 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 trustees are responsible for assessing the charitable 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report

To the members of

Team Rubicon UK

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 the 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 judgment 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 purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' 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 entity'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 entity 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.

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.

Independent auditor's report

To the members of

Team Rubicon UK

Use of our report

This report is made solely to the charitable 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 so that we might state to the charitable company's members those matters we are required to state to them in an auditor's 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Joanna Pittman (Senior statutory auditor)

20 December 2019

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Team Rubicon UK

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2019

	Note	Unrestricted £	Restricted £	2019 Total £	Unrestricted £	Restricted £	2018 Total £
Income from:							
Donations	2	860,523	321,790	1,182,313	783,787	333,703	1,117,490
Other trading activities		1,429	–	1,429	19,385	–	19,385
Investments		–	–	–	171	–	171
Total income		861,952	321,790	1,183,742	803,343	333,703	1,137,046
Expenditure on:							
Raising funds	3	202,543	–	202,543	191,130	–	191,130
Charitable activities							
Operations	3	474,626	261,036	735,662	327,941	322,309	650,250
Volunteer training	3	241,525	–	241,525	186,935	–	186,935
Membership	3	175,643	–	175,643	130,860	11,394	142,254
Total expenditure		1,094,337	261,036	1,355,373	836,866	333,703	1,170,569
Net (expenditure)/income before other recognised gains and losses	4	(232,385)	60,754	(171,631)	(33,523)	–	(33,523)
Net gains/(losses) on investments		2,739	–	2,739	(1,535)	–	(1,535)
Net movement in funds		(229,646)	60,754	(168,892)	(35,058)	–	(35,058)
Reconciliation of funds:							
Total funds brought forward		476,729	–	476,729	511,787	–	511,787
Total funds carried forward		247,083	60,754	307,837	476,729	–	476,729

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. All movements in funds are disclosed in note 13.

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Balance sheet

Company no. 09644561

As at 31 March 2019

	Note	£	2019 £	£	2018 £
Fixed assets:					
Tangible assets	9		74,447		53,955
			74,447		53,955
Current assets:					
Debtors	10	89,044		123,601	
Current asset investments	11	104,833		302,128	
Cash at bank and in hand		138,114		159,776	
			331,991	585,505	
Liabilities:					
Creditors: amounts falling due within one year	12	(98,601)		(162,731)	
Net current assets			233,390		422,774
Total net assets			307,837		476,729
The funds of the charity:					
Total restricted funds			60,754		–
Total unrestricted funds			247,083		476,729
Total charity funds	13 & 14		307,837		476,729

Approved by the trustees on 18 December 2019 and signed on their behalf by

Sir Nick Parker
Chair

Statement of cash flows

For the year ended 31 March 2019

	Note	2019 £	£	2018 £	£
Cash flows from operating activities					
Net cash provided by operating activities	a.	(182,872)		(30,503)	
Cash flows from investing activities:					
Proceeds from the sale of fixed assets		–		1,100	
Dividends and interest		–		171	
Transferred into current asset investments		–		(148,479)	
Investment disposal proceeds		197,295		465	
Investment gains/(losses)		2,739		(1,535)	
Purchase of fixed assets		(44,619)		(32,101)	
Net cash used in investing activities		155,415		(180,379)	
Change in cash and cash equivalents in the period		(27,457)		(210,882)	
Cash and cash equivalents at the beginning of the period		159,776		382,322	
Change in cash and cash equivalents due to exchange rate movements		5,795		(11,664)	
Cash and cash equivalents at the end of the period		138,114		159,776	

a. Reconciliation of net income to net cash flow from operating activities

	2019 £	2018 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	(171,631)	(33,523)
Depreciation charges	24,127	12,861
Exchange rate (gains)/losses	(5,795)	11,664
Loss on disposal of fixed assets	–	1,213
Dividends and interest	–	(171)
Decrease/(Increase) in debtors	34,557	(81,135)
(Decrease)/Increase in creditors	(64,130)	58,588
Net cash provided by operating activities	(182,872)	(30,503)

1 Accounting policies

a) Statutory information

Team Rubicon UK is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address is Chilmark, Salisbury SP3 5DU.

b) Basis of preparation

The financial statements have been prepared in accordance with 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) (effective 1 January 2015) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised; more information on their contribution is contained in the trustees' annual report.

Where recognised, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

1 Accounting policies (continued)

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for charitable purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inviting third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of conducting operations, training military veterans and other membership activities undertaken to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on the ratio of direct costs attributable to each activity

● Cost of raising funds	22%
● Operations	41%
● Volunteer training	22%
● Membership	15%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Tangible fixed assets

Items of equipment with an expected life of more than one year are capitalised where the purchase price exceeds £250. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Computer equipment	4 years
● Motor Vehicles	4 years
● Fixtures and Fittings	4 years
● Plant and Machinery	4 years

1 Accounting policies (continued)

l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

m) Current asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading “Net gains/(losses) on investments” in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

n) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

o) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

q) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

r) Pensions

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charitable company to the fund. The charitable company has no liability under the scheme other than for the payment of those contributions.

2 Income from donations and legacies

	Unrestricted £	Restricted £	2019 Total £	Unrestricted £	Restricted £	2018 Total £
Grant from HM Treasury	500,000	–	500,000	500,000	–	500,000
Other grants	20,000	112,077	132,077	20,000	165,156	185,156
Individual donations	340,523	209,713	550,236	263,787	168,547	432,334
	<u>860,523</u>	<u>321,790</u>	<u>1,182,313</u>	<u>783,787</u>	<u>333,703</u>	<u>1,117,490</u>

3a Analysis of expenditure (current year)

	Cost of raising funds £	Charitable activities				2019 Total £	2018 Total £
		Operations £	Volunteer training £	Membership £	Governance costs £		
Staff costs (Note 5)	103,721	235,007	107,989	107,989	37,869	592,575	488,530
Other staff costs	419	480	843	836	–	2,578	14,614
Payment to Team Rubicon Global (Note 7)	–	(78,967)	–	–	–	(78,967)	39,060
Project costs	–	197,903	17,725	9,786	–	225,414	128,817
Direct fundraising costs	45,456	–	–	–	–	45,456	9,170
Consultancy	14,663	140,279	14,296	13,281	–	182,519	45,927
Depreciation	1,930	18,819	1,689	1,689	–	24,127	12,861
Insurance	9,300	17,331	9,300	6,341	–	42,272	29,207
Legal and professional fees	4,911	28,588	7,545	5,789	1,791	48,624	48,282
Office costs	11,957	35,278	72,048	22,587	959	142,829	131,965
Travel	3,924	118,199	2,623	1,915	1,283	127,944	198,808
	196,281	712,917	234,058	170,213	41,902	1,355,373	1,147,241
Governance costs	6,262	22,744	7,467	5,430	(41,902)	–	–
Total expenditure 2019	202,543	735,662	241,525	175,643	–	1,355,373	1,147,241
Total expenditure 2018	191,130	650,250	186,935	142,254	–	1,170,569	

3b Analysis of expenditure (prior year)

	Cost of raising funds £	Charitable activities				2018 Total £
		Operations £	Volunteer training £	Membership £	Governance costs £	
Staff costs (Note 5)	140,981	163,165	85,051	85,419	13,914	488,530
Other staff costs	1,085	8,983	1,724	2,722	100	14,614
Payment to Team Rubicon Global	–	39,060	–	–	–	39,060
Project costs	–	100,093	13,184	14,837	703	128,817
Direct fundraising costs	9,170	–	–	–	–	9,170
Consultancy	6,990	24,746	5,536	8,455	200	45,927
Depreciation	1,803	8,939	1,156	950	14	12,862
Insurance	3,577	16,852	5,583	2,615	579	29,206
Legal and professional fees	5,835	29,468	6,491	5,280	1,208	48,282
Office costs	13,034	62,146	61,357	18,483	273	155,293
Travel	5,613	186,447	3,878	1,229	1,641	198,808
	188,088	639,899	183,960	139,990	18,632	1,170,569
Governance costs	3,042	10,351	2,975	2,264	(18,632)	–
Total expenditure 2018	191,130	650,250	186,935	142,254	–	1,170,569

Notes to the financial statements

For the year ended 31 March 2019

4 Net expenditure for the year

This is stated after charging:

	2019 £	2018 £
Loss on disposal	–	(1,213)
Depreciation	24,127	12,861
Auditors' remuneration (excluding VAT):		
Audit	9,700	7,650
Other services	–	–
	<u> </u>	<u> </u>

5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2019 £	2018 £
Salaries and wages	496,702	404,281
Social security costs	52,483	44,511
Redundancy and termination payments	14,522	13,750
Employer's contribution to defined contribution pension schemes	28,867	25,988
	<u>592,574</u>	<u>488,530</u>

One employee earned between £70,000 – £80,000 during the year (2018 – one).

One employee earned between £90,000 – £100,00 during the year (2018 – nil).

The total employee benefits including pension contributions of the key management personnel were £312,049 (2018: £198,121).

The charity trustees were not paid and did not receive any other employment benefits from the charity in the year. No charity trustee received payment for professional or other services supplied to the charity.

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £nil (2018: £1,521) incurred by zero (2018: one) trustees relating to carrying out charity business as well as attendance at meetings of the trustees.

6 Staff numbers

The number of staff employed at the end of the year was 9 (2018: 6). The average number of employees (head count based on number of staff employed) during the year was 9 (2018: 8.5).

7 Related party transactions

Team Rubicon Global is considered to be a related party as two of Team Rubicon UK's Trustees also sit as Trustees on the Team Rubicon Global Board.

As disclosed in note 3 to the accounts, Team Rubicon UK had made provisions for annual payments to Team Rubicon Global for brand maintenance, international stakeholder management, international/multi-national deployment coordination, training and mentoring, and support to fundraising. During the year it was confirmed that no charge would be made for these services, so the provision has been written back in full to the SOFA, resulting in a negative cost for payments to Team Rubicon Global in the current year.

During the year, Team Rubicon UK also received grant payments from Team Rubicon Global totalling £98,677 that were restricted towards operations expenses.

One of the trustees is a director of The Military Mutual, that provides the charity with its trustee liability insurance. This insurance is provided on an arms length basis.

One of the Trustees is a director of Inmarsat that sponsored the Spring dinner in April 2018 and has a Memorandum of Understanding to donate US\$100,000 to TRUK each year for the next three years.

There are no other donations from related parties which are outside the normal course of business and no other restricted donations from related parties.

8 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9 Tangible fixed assets

	Plant & Machinery £	Motor Vehicles £	Fixtures & Fittings £	Computer equipment £	Total £
Cost or valuation					
At the start of the year	4,108	20,405	4,902	43,729	73,144
Additions in year	40,445	–	–	4,174	44,619
At the end of the year	44,553	20,405	4,902	47,903	117,763
Depreciation					
At the start of the year	576	2,160	653	15,800	19,189
Charge for the year	10,994	4,561	1,062	7,510	24,127
At the end of the year	11,570	6,721	1,715	23,310	43,316
Net book value					
At the end of the year	32,983	13,684	3,187	24,593	74,447
At the start of the year	3,532	18,245	4,249	27,929	53,955

All of the above assets are used for charitable purposes.

Notes to the financial statements

For the year ended 31 March 2019

10 Debtors

	2019 £	2018 £
Other debtors	38,002	54,148
Paypal debtor	9,061	11,284
Prepayments	41,981	58,169
	<u>89,044</u>	<u>123,601</u>

11 Investments

	2019 £	2018 £
Fair value at the start of the year	302,128	154,114
Additions at cost	–	150,000
Disposal proceeds	(200,034)	(451)
Net gain / (loss) on change in fair value	2,739	(1,535)
	<u>104,833</u>	<u>302,128</u>

12 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	55,459	41,196
Taxation and social security	17,686	17,993
Other creditors	17,310	3,263
Accruals	8,146	100,279
	<u>98,601</u>	<u>162,731</u>

13a Movements in funds (current year)

	At 1 April 2018 £	Income & gains £	Expenditure & losses £	At 31 March 2019 £
Restricted funds:				
Operations	–	321,790	(261,036)	60,754
Total restricted funds	<u>–</u>	<u>321,790</u>	<u>(261,036)</u>	<u>60,754</u>
Unrestricted general funds	<u>476,729</u>	<u>864,691</u>	<u>(1,094,337)</u>	<u>247,083</u>
Total funds	<u>476,729</u>	<u>1,186,481</u>	<u>(1,355,373)</u>	<u>307,837</u>

13b Movements in funds (prior year)

	At 1 April 2017 £	Income & gains £	Expenditure & losses £	At 31 March 2018 £
Restricted funds:				
Operations	–	333,703	(333,703)	–
Total restricted funds	–	333,703	(333,703)	–
Unrestricted general funds	511,787	803,343	(838,401)	476,729
Total funds	511,787	1,137,046	(1,172,104)	476,729

Purposes of restricted funds

Team Rubicon UK received restricted funds from several sources during the financial year:

Morrison's Foundation – to provide training courses for veterans and ex-first responders.

Army Benevolent fund (ABF) – to recruit and train veterans.

Unite BVI – to provide resilience training to communities prone to hurricanes in the BVI.

Waterwheel Foundation – to provide solar power to remote communities in the BVI.

Operations:

- Gurkha Welfare Trust – resilience training to communities in disaster prone areas in Nepal
- Feed the Hungry – working with local communities to build kitchens in schools in Haiti
- Mr & Mrs McDonough – to provide solar power to Lapubesi, a remote village in Nepal affected by the earthquake in 2015

14a Analysis of net assets between funds (current year)

	General unrestricted £	Restricted funds £	Total funds £
Tangible fixed assets	74,447	–	74,447
Net current assets	172,636	60,754	233,390
	247,083	60,754	307,837

14b Analysis of net assets between funds (prior year)

	General unrestricted £	Restricted funds £	Total funds £
Tangible fixed assets	53,955	–	53,955
Net current assets	422,774	–	422,774
	476,729	–	476,729

15 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2019 £	2018 £
Less than one year	62,416	55,000
One to five years	110,000	165,000
	<u>172,416</u>	<u>220,000</u>

16 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.