

REGISTERED COMPANY NUMBER: 07465741 (England and Wales)
REGISTERED CHARITY NUMBER: 1140489

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
FOR
THE HENRY JACKSON SOCIETY**

Haines Watts
Chartered Accountants
Old Station House
Station Approach
Swindon
Wiltshire
SN1 3DU



THE HENRY JACKSON SOCIETY

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FOR THE YEAR ENDED 31 DECEMBER 2022**

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THE HENRY JACKSON SOCIETY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2022. The trustees have adopted the provisions of *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 2019).

THE HENRY JACKSON SOCIETY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

OBJECTIVES AND ACTIVITIES

Objectives and aims

Organisation Objectives

The charity's objectives are to advance the education of the public in national and international political, social and economic policy, including the promotion of research in any of those areas and the publication of the useful results of such research.

Activities of the Charity

The charity works to bring together members of the public and academic, business, media and political leaders from all demographics through a series of themed lectures, meetings and events so that they can better understand the nature of contemporary national and international affairs. Extensive research covering a variety of national and international policy topics is also published for the same purpose.

Legal purposes

All of the charity's activities work towards achieving our legal purposes - educating the public on national and international political, social and economic policy. Our 2022 achievements in the field of research, our extensive events programme, our national and international media coverage and education of the public, have ensured that these purposes were met.

Main areas of activity

HJS's work is focused into two main streams: "Securing our Societies" and "Advancing the Free World". "Securing our Societies" focuses on threats to free societies within the West, while "Advancing the Free World" examines how the enemies of the free world are operating internationally. Building on from 2021's successful activity, the charity continued with a subject-based approach to policy and research projects which are categorised in different centres that work towards achieving its strategic objectives. These are:

- Centre on Radicalisation and Terrorism: the UK's leading centre on the subject, and one of HJS's key achievements, seeks to address the severe threat presented by Islamism and other forms of extremism, and to challenge religious radicalisation and terrorism at home and abroad. The Centre provides top-quality, in-depth research coupled with the execution and implementation of targeted, tangible and impactful activities in relation to the effects of violent and non-violent extremism.
- Centre on Social and Political Risk: established in 2018, is a citizen-focused, international research centre, which seeks to identify, diagnose and propose solutions to threats to governance in liberal Western democracies.
- Asia Studies Centre: established in 2017, the centre provides an in-depth understanding of the structural shifts, regional complexities and historic tensions that exist alongside the tremendous economic and social growth that traditionally characterize the "rise of Asia". It has achieved global prominence because of its work on understanding the nature of the threat posed internationally by the rise of a China governed by a Communist dictatorship.
- Centre for Global Britain: established in 2017, the programme aims to educate the public on the need for an open, confident and expansive British geostrategic policy in the twenty-first century - drawing on the United Kingdom's unique strengths not only as an advocate for liberalism and national democracy, but also a custodian of both the European and international orders. The centre's work is respected across party lines and throughout academia.
- Centre on Russia and Eurasia Studies: a long-running and very influential centre that undertakes in-depth, analytically-focused research into domestic and foreign policy issues in Russia and the other post-Soviet states. Established in 2010, the programme's geographical scope has widened since 2014, mirroring the high level of importance attached to the region.
- Centre for the New Middle East: designed to provide opinion-leaders and policy-makers with the fresh thinking, analytical research and policy solutions required to make geopolitical progress in one of the world's most complicated and fluid regions. Established following the fallout from the "Arab Spring," the Centre monitors political, ideological, and military and security developments across the Middle East and provides informed assessments of their wide-ranging implications to key decision makers.

In addition to research projects, the charity also has two divisions that support such activity:

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FOR THE YEAR ENDED 31 DECEMBER 2022

- **Events:** a wide-ranging programme of events that showcase our research projects, with high-profile and engaging speakers from a variety of sectors and beliefs with a platform for debate. The charity is the leading policy events provider in terms of numbers of events held in Westminster, a position it has developed over many years. In summer 2021, following the reduction on restrictions rolled out in-line with the regulations during the COVID pandemic, HJS began delivering hybrid events where some attendees joined in person and many others online. This practice continued in 2022, to further develop the charity's global reach.
- **Communications:** media relations, web and social media presence that promote our research and events programmes nationally and internationally and contribute to public education through dissemination of information. The charity has consistently punched well above its weight in terms of generating media coverage and expert comment, which is testament to the quality of its research.

Objectives for 2022

The charity's objectives for the year were to further increase its ability to educate the public on national and international political, social and economic policy. We aimed to achieve these objectives through increasing the breadth of our academic research, events and media coverage across all expert communities. In addition to developing our research centres, we aimed to expand our operational capability to support a growing research base and to increase our influence and impact.

Strategies for achieving 2022 objectives

The charity began the year employing similar strategies to previous years which have been tried and tested in order to achieve our overall mission and vision. We maintained our membership programme and diversified revenue streams across a range of funders in order to reduce reliance on any single sector. The charity continued hiring, replacing and developing staff, and improved its senior management team structure in order to help facilitate growth.

In 2022, a variety of approaches was utilised including remote and office-based work as well as increasing HJS's presence working with colleagues in Parliament. This strategy enabled the charity to continue expanding its reach to beneficiaries. Together with traditional media and marketing focuses, social media angles were exploited more fully, leading to a larger audience for our work and heightened impact. It is safe to say that HJS successfully overcame the challenge that Covid-19 pandemic posed as the charity was able to adjust its strategies in order to further its purposes and remain relevant in 2022 with a full programme of proactive and reactive events and reports that reflected the world's new challenges including the full-scale invasion of Ukraine, which was a subject that our longstanding expertise on Russia and Eurasia enabled us to address in great length and depth.

2022 main achievements and performance

2022 has proven to be exceptionally productive for The Henry Jackson Society, not least due to concurrent global events that continued to validate our insights and predictions. Russia continued to wage an atrocious war on Ukraine, while Chinese agencies infiltrated into our universities and societies, and Iran pressed on with its nuclear ambitions. We continued to publish numerous reports on these alarming geopolitical advances, having foreseen before it was fully realised on the global stage Putin's malevolence, China's relentless propaganda tactics, and Iran's dishonest nuclear developments.

HJS worked harder than ever to help redirect public awareness towards matters that are often overlooked. Our educational work has been acknowledged over the last year with 8 policy recommendations from HJS research being subsequently taken up in the UK's legislative agenda. Among these were measures regulating public bodies from running boycott and sanctions campaigns, new espionage laws to make it easier to prosecute those helping foreign states like Russia, China, and Iran to meddle in our democracy or undermine our national security, a new British Bill of Rights clarifying the law so terrorists could not make bogus human rights claims to avoid deportation, and finally a government commitment to improving Antisemitism education in schools that resulted from a ground-breaking HJS paper on the subject. We were particularly proud to have also opened up a new stream of work in investigating the hitherto less understood issue of growing anti-Hindu hatred in the UK.

Contributions and forwards to our reports have been increasingly written by members of the UK Parliament, demonstrating a growing hunger for our work. For instance, a report on how 'Britain's Values-Based Diplomacy can Champion Dissidents around the World' was authored by Lord James Bethell, and expert in this area.

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FOR THE YEAR ENDED 31 DECEMBER 2022

We enjoyed 750 tier one media hits in 2022, regularly featuring in all of the main broadcast outlets including the BBC, Sky, ITN, GB News, TalkTV, Al Jazeera and LBC, as well as Fox in the US, while making headlines in The Telegraph, The Times, The Sun, The Guardian, The Daily Mail, The Spectator, and many others.

Our events programme also enjoyed continued success in 2022, with 74 events being held at the HJS office equipped with a live-stream feed, as well as organised at Parliament. The events programme allows our research and the ideas of respected expert commentators to directly reach thought leaders and opinion formers, as well as the public attending them. In 2022, we continued to host critically acclaimed scholars, diplomats, and experts, attracting diverse and high-calibre audiences to engage in an exchange of ideas that is at the cornerstone of our mission, but we were able to pull in expertise from across the world in a regular and unprecedented way owing to the shift in delivery model to include online contributors.

We produced 27 research publications. These ranged from in-depth reports, to shorter policy papers geared towards making policy-relevant recommendations and are listed here:

- Will Russia Invade Ukraine? Moscow's Threat to European Security
- Ending Russia's War Against Ukraine
- Ukraine-Russia Policy: Next steps for the west
- What Russia's Invasion of Ukraine Tells us about Chinese Policy Towards Taiwan
- Countering Iran in the Arabian Gulf
- The Vulnerability of Iran's Nuclear Facilities to Drone Strikes
- A Weaker Russia and the West's Opportunity in the South Caucasus
- All Change: The Impact of Government Policy on Migration Composition & Social Cohesion
- Morpheus: The British Army's Next Procurement Failure
- Putin's Invasion of Ukraine and the Global Crisis
- The Prospective Foreign Policy of Sir Keir Starmer
- Russia's Hybrid War Against the UK: Time to Fight Back Against the Kremlin
- Backing our Police: How Parliament Can Give Police Forces the Tools to Combat Disruptive Protesters
- Opposition in Russia to the Invasion of Ukraine: How Much of a Threat is it to Putin's Regime?
- The Personal Touch: How Britain's Values-Based Diplomacy can Champion Dissidents around the World
- Securing the Strait: Engaging Taiwan in the UK's Indo-Pacific Tilt
- Antisemitism in Schools
- Radiological Terrorism - A Global Policy Challenge in Need of Urgent Action
- Al-Qaedaism in North Africa and the Sahel
- Securing UK Defence Procurement to Meet 21st Century Challenges from Present Threats
- Navigating a New Direction in the Eastern Mediterranean: What Role for Britain
- Lessons for Taiwan: Understanding Why Sanctions Failed to Deter Conflict in Ukraine
- An Investigation of China's Confucius Institutes in the UK
- A New Era for UK Policymaking: An Economic Denial Strategy in the Indo-Pacific
- Opening a Second Western Front Against Putin: Russia's Latin American Proxies
- Hindu-Muslim Civil Unrest in Leicester: "Hindutva" and the Creation of a False Narrative
- Is It Time for Britain to Review Its Position Towards the JCPOA?

Measures to assess success

The charity critically assesses its success against its objectives. Main key performance indicators include: the number of guests at events, interaction with officials and policy-makers, the number of printed and online media placements, the number of broadcast appearances, social media following, the number of individual and corporate members and the retention of donors plus development of new streams of funding. These are measured on a monthly basis and reported to the Trustees at regular intervals.

Public benefit

The Trustees have complied with their duty in section 17 of the Charities Act 2011 to have due regard to guidance published by the Charity Commission.

THE HENRY JACKSON SOCIETY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

STRATEGIC REPORT

Financial position

The charity received the same level of income in the year compared to the previous year. The total income for the year was £993,514 (2021: £997,085). The total expenditure for the year also remained at a similar level compared to the previous year £1,041,093 (2021: £1,046,366). The charity results show a deficit of £47,579 during the year (2021: £49,281 deficit). The unrestricted funds decreased to £4,376 (2021: £51,955).

Free reserves at 31 December 2022 amounted to £nil (2021: £39,905).

Reserves policy

The charity aims to hold levels of reserves of at least three months operating expenses. For years in which the accounts have lower free reserves than this level, the reserves are supported by an external guarantee providing access to further funds if required, thereby satisfying the going concern basis for preparation of the accounts. It is not the intention of the Trustees to accumulate reserves and the Trustees seek to apply all funds above the required level in accordance with the charity's stated objectives.

Future plans

The charity expects to be able to continue its organisational advancement in 2023. This will be achieved by: expansion of our donor base; increasing our income through our individual and corporate membership programme and events sponsorship; improving our influence with increased parliamentary and civil servant engagement, and furthering our impact with heightened media engagement. Organisational excellence, regulatory compliance and business improvement remain high in our priorities, with processes and policies being reviewed as appropriate. Given the changes in working and engagement patterns occasioned by the pandemic, the charity intends to continue being at the forefront of innovation in order to ensure its product and messaging reaches as many beneficiaries as possible, in as many ways as we can.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Charity constitution

The company (no. 7465741) was incorporated on 9 December 2010. On 18 February 2011 the Trustees of the unincorporated The Henry Jackson Society Project for Democratic Geopolitics (UK registered charity number 1113948) transferred its assets, subject to its liabilities, to The Henry Jackson Society (a company limited by guarantee - UK registered charity number 1140489), a successor corporate charity with the same charitable objectives.

HJS is established as a charitable company limited by guarantee and is a registered charity with the Charity Commission (No 1140489). The charity's affairs are governed by its Memorandum and Articles of Association which allows for any activities covered by the charity's objectives with no restrictions. In the event of the company being wound up the maximum amount each member will contribute is £1.

The trustees, who are also the directors for the purpose of company law, and who served during the year, were:

- Mr Stuart Caplan
- Mr Graham Defries
- Dr Alan Mendoza
- Mr David Rasouly
- Professor Brendan Simms

Recruitment and appointment of new trustees

Trustees are selected by those trustees who are serving at the time of selection. New trustees are selected on the basis of the added experience that they can bring to the Board. On selection, Trustees are provided with Charity Commission documentation and guidance, and have induction meetings with key management staff.

THE HENRY JACKSON SOCIETY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The charitable company is administered by the Board of Trustees which is its governing body. The Board meets regularly to discuss and formulate policy which is then implemented by the professional team. Trustees are appointed to the Board in accordance with the Articles of Association. Decisions made by the Board are informed with the relevant data and information and regular reports from the Executive Director (Dr Alan Mendoza) and taken on a majority vote basis. Operational decisions are delegated to the Executive Director, or the Managing Director. The setting of pay and remuneration of the charity's key management personnel is based on industry benchmarks and is reviewed on an annual basis.

The scale and nature of volunteer activity

One of the charity's proudest achievements since its inception has been the way it has been able to utilize the help of hundreds of volunteers through its internship programme. 2022 proved to be no exception, and we were able to continue a high standard of internships, giving volunteers an opportunity to participate in the life of a think tank.

In 2022, HJS offered a range of engaging internships, and work experience opportunities aimed at politically minded, self-motivated individuals with a wide variety of skills. Interns were taken on a full-time or part-time basis, to suit their requirements. The intern roles occupied throughout 2022 were communications assistant, general assistant, events assistant and several research assistants supporting our different research centres. All volunteers were offered access to internal training programmes and the opportunity to be mentored by a senior researcher or member of the management team.

In total, 55 interns took part in HJS's placement scheme. These young and bright students from diverse backgrounds join HJS for programmes of various lengths from dozens of UK universities providing a direct link for HJS to the UK educational sector, fulfilling HJS's key objective to advance the education of the public in national policies and international affairs. The internship programme adapted well during the pandemic period and some practices remained, including remote volunteering when an intern supported the work of an HJS research fellow, liaising with them online. This was made possible due to successful introduction of strict online safety protocols and cybersecurity policies. Although the virtual internships may not have provided as immersive an experience as an office based one, this opportunity had the merit of attracting geographically diverse and international candidates, which helped the charity carry out its work even more effectively by providing broader perspectives.

Subsidiary activity

The subsidiary undertaking, Strategic Analysis Limited, did not trade during the year.

Risk management

The Board of Trustees is responsible for the management of risks faced by the charity. Risks are identified, assessed, mitigated and controls established. The principal risks and uncertainties facing the charity and the strategies for managing the risks are:

- Loss of income due to withdrawal of support from donors - the organisation continually liaises with existing donors and also reaches out to potential new ones at every possible opportunity.
- The security of staff and premises - the office security is as tight as could reasonably be expected and the risks are discussed with staff and advice offered.
- Cyber-security risk if systems fail to meet operational need and/or a loss/corruption of data occurs - cyber security and authorisation procedures are regularly appraised and measures to secure and protect data are implemented.

The management of risks is driven by the risk management policy. Consequently, the Trustees are satisfied that the major risks identified have been mitigated appropriately and there are no major threats.

THE HENRY JACKSON SOCIETY
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
07465741 (England and Wales)

Registered Charity number
1140489

Registered office
26th Floor
Millbank Tower
21-24 Millbank
London
SW1P 4QP

Independent Examiner
Susan Plumb
Haines Watts
Chartered Accountants
Old Station House
Station Approach
Swindon
Wiltshire
SN1 3DU

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on19/09/2023..... and signed on the board's behalf by:



.....
Dr B P Simms - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE HENRY JACKSON SOCIETY**

Independent examiner's report to the trustees of The Henry Jackson Society ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2022.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

 A CA

Susan Plumb
The Institute of Chartered Accountants in England and Wales

Haines Watts
Chartered Accountants
Old Station House
Station Approach
Swindon
Wiltshire
SN1 3DU

Date: 22 Sept 2023

THE HENRY JACKSON SOCIETY

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2022**

		2022 Unrestricted fund £	2021 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	981,365	984,934
Other trading activities	3	12,144	12,144
Investment income	4	<u>5</u>	<u>7</u>
Total		<u>993,514</u>	<u>997,085</u>
 EXPENDITURE ON			
Charitable activities	5		
Charitable activities		<u>1,041,093</u>	<u>1,046,366</u>
 NET INCOME/(EXPENDITURE)		 (47,579)	 (49,281)
 RECONCILIATION OF FUNDS			
Total funds brought forward		<u>51,955</u>	<u>101,236</u>
 TOTAL FUNDS CARRIED FORWARD		 <u>4,376</u>	 <u>51,955</u>

The notes form part of these financial statements

THE HENRY JACKSON SOCIETY
STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2022

	Notes	2022 Unrestricted fund £	2021 Total funds £
FIXED ASSETS			
Tangible assets	11	12,565	12,049
Investments	12	<u>1</u>	<u>1</u>
		12,566	12,050
CURRENT ASSETS			
Debtors	13	50,109	93,514
Cash at bank		<u>80,327</u>	<u>68,797</u>
		130,436	162,311
CREDITORS			
Amounts falling due within one year	14	(114,456)	(88,936)
		<u>15,980</u>	<u>73,375</u>
NET CURRENT ASSETS			
		<u>15,980</u>	<u>73,375</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		28,546	85,425
CREDITORS			
Amounts falling due after more than one year	15	(24,170)	(33,470)
		<u>4,376</u>	<u>51,955</u>
NET ASSETS			
		<u>4,376</u>	<u>51,955</u>
FUNDS	18		
Unrestricted funds		<u>4,376</u>	<u>51,955</u>
TOTAL FUNDS		<u>4,376</u>	<u>51,955</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2022 in accordance with Section 476 of the Companies Act 2006.


The trustees acknowledge their responsibilities for


- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The financial statements were approved by the Board of Trustees and authorised for issue on 19/09/2023 and were signed on its behalf by:

The notes form part of these financial statements

THE HENRY JACKSON SOCIETY
STATEMENT OF FINANCIAL POSITION - continued
31 DECEMBER 2022


.....
Dr A L Mendoza - Trustee


.....
Mr D Rasouly - Trustee

The notes form part of these financial statements

THE HENRY JACKSON SOCIETY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

Notes	2022 £	2021 £
Cash flows from operating activities		
Cash generated from operations 1	<u>25,529</u>	<u>(83,765)</u>
Net cash provided by/(used in) operating activities	<u>25,529</u>	<u>(83,765)</u>
 Cash flows from investing activities		
Purchase of tangible fixed assets	(4,704)	(9,881)
Interest received	<u>5</u>	<u>7</u>
Net cash used in investing activities	<u>(4,699)</u>	<u>(9,874)</u>
 Cash flows from financing activities		
Loan repayments in year	<u>(9,300)</u>	<u>(6,530)</u>
Net cash used in financing activities	<u>(9,300)</u>	<u>(6,530)</u>
	<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period	11,530	(100,169)
Cash and cash equivalents at the beginning of the reporting period	<u>68,797</u>	<u>168,966</u>
 Cash and cash equivalents at the end of the reporting period	<u><u>80,327</u></u>	<u><u>68,797</u></u>

The notes form part of these financial statements

THE HENRY JACKSON SOCIETY

**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(47,579)	(49,281)
Adjustments for:		
Depreciation charges	4,188	1,500
Interest received	(5)	(7)
Decrease/(increase) in debtors	43,405	(33,790)
Increase/(decrease) in creditors	<u>25,520</u>	<u>(2,187)</u>
Net cash provided by/(used in) operations	<u><u>25,529</u></u>	<u><u>(83,765)</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/22 £	Cash flow £	At 31/12/22 £
Net cash			
Cash at bank	<u>68,797</u>	<u>11,530</u>	<u>80,327</u>
	<u>68,797</u>	<u>11,530</u>	<u>80,327</u>
Debt			
Debts falling due within 1 year	(10,000)	-	(10,000)
Debts falling due after 1 year	<u>(33,470)</u>	<u>9,300</u>	<u>(24,170)</u>
	<u>(43,470)</u>	<u>9,300</u>	<u>(34,170)</u>
Total	<u><u>25,327</u></u>	<u><u>20,830</u></u>	<u><u>46,157</u></u>

The notes form part of these financial statements

THE HENRY JACKSON SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

The financial statements are prepared in sterling, which is the functional currency of the entity and is rounded to the nearest £.

Going concern

At the time of approving the accounts, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, as the trustees expect to continue to receive donations from major donors. The charity relies on continued support from Henry Jackson Society Inc, a US entity and see no reason why this support will not continue for the next 12 months. Thus the Trustees' continue to adopt the going concern basis of accounting in preparing the accounts.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures & fittings - 25% straight line

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

THE HENRY JACKSON SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. ACCOUNTING POLICIES - continued

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

Creditors

Creditors 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 are recognised at their settlement amount.

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	591,901	641,909
Membership fees	36,034	37,400
Donation from HJS Inc	352,584	286,068
Grants	-	19,557
Other income	<u>846</u>	<u>-</u>
	<u><u>981,365</u></u>	<u><u>984,934</u></u>

Grants received, included in the above, are as follows:

	2022	2021
	£	£
Government grant - Coronavirus job retention scheme	-	19,037
Government Business Interruption Payment	<u>-</u>	<u>520</u>
	<u><u>-</u></u>	<u><u>19,557</u></u>

3. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Activities for generating funds	<u><u>12,144</u></u>	<u><u>12,144</u></u>

4. INVESTMENT INCOME

	2022	2021
	£	£
Deposit account interest	<u><u>5</u></u>	<u><u>7</u></u>

THE HENRY JACKSON SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Charitable activities	<u>962,310</u>	<u>78,783</u>	<u>1,041,093</u>

6. SUPPORT COSTS

	Other £	Governance costs £	Totals £
Charitable activities	<u>71,037</u>	<u>7,746</u>	<u>78,783</u>

Support costs, included in the above, are as follows:

	2022 Charitable activities £	2021 Total activities £
Staff costs - support	28,230	34,318
Office costs	31,943	23,818
Legal and professional	10,864	18,436
Staff costs - governance	5,646	6,864
Independent Examiner's fee	<u>2,100</u>	<u>2,000</u>
	<u>78,783</u>	<u>85,436</u>

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022 £	2021 £
Independent Examiner's fee	2,100	2,000
Depreciation - owned assets	<u>4,188</u>	<u>1,500</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2022 nor for the year ended 31 December 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2022 nor for the year ended 31 December 2021.

THE HENRY JACKSON SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

9. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	502,445	610,609
Social security costs	54,064	62,124
Other pension costs	<u>8,094</u>	<u>13,610</u>
	<u><u>564,603</u></u>	<u><u>686,343</u></u>

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

	2022	2021
Number	<u>10</u>	<u>14</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022	2021
£140,000 - £149,000	<u>1</u>	<u>1</u>

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £201,855 (2021: £243,165).

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	984,934
Other trading activities	12,144
Investment income	<u>7</u>
Total	<u><u>997,085</u></u>
EXPENDITURE ON	
Charitable activities	
Charitable activities	<u><u>1,046,366</u></u>
NET INCOME/(EXPENDITURE)	(49,281)
RECONCILIATION OF FUNDS	
Total funds brought forward	101,236
TOTAL FUNDS CARRIED FORWARD	<u><u>51,955</u></u>

THE HENRY JACKSON SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

11. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
COST	
At 1 January 2022	23,088
Additions	<u>4,704</u>
At 31 December 2022	<u>27,792</u>
DEPRECIATION	
At 1 January 2022	11,039
Charge for year	<u>4,188</u>
At 31 December 2022	<u>15,227</u>
NET BOOK VALUE	
At 31 December 2022	<u>12,565</u>
At 31 December 2021	<u>12,049</u>

12. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1 January 2022 and 31 December 2022	<u>1</u>
NET BOOK VALUE	
At 31 December 2022	<u>1</u>
At 31 December 2021	<u>1</u>

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

Strategic Analysis Limited

Registered office: United Kingdom

Nature of business: Management consultancy activities

Class of share: %

Ordinary shares holding

100

	2022	2021
	£	£
Aggregate capital and reserves	(31,685)	(31,685)

THE HENRY JACKSON SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	8,619	79,336
Amounts owed by group undertakings	2,790	2,790
Other debtors	1,168	1,168
VAT	6,564	7,222
Prepayments and accrued income	<u>30,968</u>	<u>2,998</u>
	<u>50,109</u>	<u>93,514</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Bank loans and overdrafts (see note 16)	10,000	10,000
Trade creditors	20,843	29,188
Social security and other taxes	17,960	18,745
Accruals and deferred income	<u>65,653</u>	<u>31,003</u>
	<u>114,456</u>	<u>88,936</u>

Included in accruals and deferred income is £51,314 (2022 £22,493) of deferred income that related to income for 2023.

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Bank loans (see note 16)	<u>24,170</u>	<u>33,470</u>

16. LOANS

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>10,000</u>	<u>10,000</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>10,000</u>	<u>10,000</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>14,170</u>	<u>23,470</u>

THE HENRY JACKSON SOCIETY
NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

17. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022 £	2021 £
Within one year	84,067	84,067
Between one and five years	<u>63,050</u>	<u>147,117</u>
	<u><u>147,117</u></u>	<u><u>231,184</u></u>

18. MOVEMENT IN FUNDS

	At 1/1/22 £	Net movement in funds £	At 31/12/22 £
Unrestricted funds			
General fund	51,955	(47,579)	4,376
	<u>51,955</u>	<u>(47,579)</u>	<u>4,376</u>
TOTAL FUNDS	<u><u>51,955</u></u>	<u><u>(47,579)</u></u>	<u><u>4,376</u></u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	993,514	(1,041,093)	(47,579)
	<u>993,514</u>	<u>(1,041,093)</u>	<u>(47,579)</u>
TOTAL FUNDS	<u><u>993,514</u></u>	<u><u>(1,041,093)</u></u>	<u><u>(47,579)</u></u>

Comparatives for movement in funds

	At 1/1/21 £	Net movement in funds £	At 31/12/21 £
Unrestricted funds			
General fund	101,236	(49,281)	51,955
	<u>101,236</u>	<u>(49,281)</u>	<u>51,955</u>
TOTAL FUNDS	<u><u>101,236</u></u>	<u><u>(49,281)</u></u>	<u><u>51,955</u></u>

THE HENRY JACKSON SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022**

18. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	997,085	(1,046,366)	(49,281)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>997,085</u>	<u>(1,046,366)</u>	<u>(49,281)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/1/21 £	Net movement in funds £	At 31/12/22 £
Unrestricted funds			
General fund	101,236	(96,860)	4,376
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>101,236</u>	<u>(96,860)</u>	<u>4,376</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,990,599	(2,087,459)	(96,860)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>1,990,599</u>	<u>(2,087,459)</u>	<u>(96,860)</u>

19. RELATED PARTY DISCLOSURES

Dr Alan Mendoza, a trustee, received remuneration during the year of £168,851 (2021 £160,129), including £1,320 (2021 £1,317) of pension contributions for his role as Executive Director of the charity, in accordance with the charity's governing document. No other trustees received remuneration or were reimbursed expenses for their role as trustees.

Included in debtors (note 13) is an amount due of £2,790 (2021 £2,790) from the charity's 100% owned subsidiary Strategic Analysis Limited.