

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 2020
FOR
THE HENRY JACKSON SOCIETY**



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THE HENRY JACKSON SOCIETY

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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THE HENRY JACKSON SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

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 2020. 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).

STRUCTURE, GOVERNANCE AND MANAGEMENT

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.

The Henry Jackson Society 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
- Dr Alan Mendoza
- Mr David Rasouly
- Professor Brendan Simms
- Ms Gisela Stuart
- Mr Graham Defries

Recruiting and Appointment of 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.

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 are taken on a majority vote basis. Operational decisions are delegated to the Executive Director, or the Director of Operations & Finance (Kajol Kochar).

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.

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

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 willingness to help of hundreds of volunteers through its programme. 2020 proved to be no exception, and we were able to continue to a high standard, giving volunteers an opportunity to participate in the life of a think tank. Owing to the COVID-19 pandemic since April 2020 the programme was carried out remotely. We offered a range of engaging roles, and work experience opportunities aimed at politically minded, self-motivated individuals with a wide variety of skills. Volunteers were taken on a full-time or part-time basis, to suit their requirements. The roles occupied throughout 2020 were communications assistant, general business assistant, events assistant and several research assistants supporting our different research centres. All volunteers are offered access to internal training programmes and the opportunity to be mentored by a senior researcher or member of the management team. Although the virtual programme may not have provided as immersive an experience as an office based one, they had the merit of attracting geographically diverse and international candidates, which helped the charity carry out its work even more effectively by providing even broader perspectives.

Subsidiary activity

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

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

STRATEGIC REPORT

OBJECTIVES AND ACTIVITIES

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 2020 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

Building on from 2019's successful activity, the charity continued with a subject-based approach to policy and research projects that work towards achieving its strategic objectives. These are:

- The Centre on Radicalisation and Terrorism: the UK's leading centre on the subject, and one of HJS's key achievements, providing 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.
- The Russia and Eurasia Studies Centre: 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.
- Student Rights: a non-partisan centre dedicated to supporting equality, democracy and freedom from extremism on university campuses. It was set up in June 2009 as a reaction to increasing political extremism and marginalisation of vulnerable students on campus and studies extremism on campus.
- The 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" it monitors political, ideological, military and security developments across the Middle East and provides informed assessments of their wide-ranging implications to key decision makers.
- The Global Britain Programme: established in June 2017, by a founding member of the Henry Jackson Society, aims to educate the public on the need for an open, confident and expansive British geostrategic policy in the twenty-first century. It draws on the UK'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.
- The Asia Studies Centre: established in January 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 Social and Political Risk: established in 2018, the centre's purpose is to underscore the potential harm that various forms of social, cultural and political insecurity, conflict and disengagement can pose to long-term sustainability of democracies.

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

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

- **Events:** a wide-ranging programme of events that showcase our 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. 2020 did of course see one significant difference to the usual events activity however in that the Covid pandemic forced a temporary end to the physical events programme and took this activity online. This had the benefit of reaching a much larger and wider geographical audience.
- **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 2020

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 2020 objectives

The charity began the year employing similar strategies to previous years which have been tried and tested in order to achieve its 2020 objectives. We maintained our membership programme and diversified our 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. Extra emphasis was also placed on training of staff in areas such as libel and defamation in order to ensure high standards were set.

Of course, the Covid pandemic led to a reappraisal of strategies in order to continue the work of the charity in meeting its objectives. Primarily, this meant adopting an online first strategy, where the charity's entire activity switched to a virtual presence, whether it was staff working from home, meetings taking place online or events occurring through video conferencing.

By swiftly taking action to address the changed circumstances of the pandemic, the charity was able to dramatically expand its reach to beneficiaries through such virtual strategies. 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. For all the shocks that 2020 posed, the charity was able to adjust its strategies quickly and successfully in order to further its purposes.

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FOR THE YEAR ENDED 31 DECEMBER 2020

2020 main achievements and performance

It would be no exaggeration to say that 2020's main achievement and performance target was in not simply surviving in the face of an unprecedented situation which threatened its survival when nobody knew what the future held, but prospering in spite of it. Indeed in many ways, our response to the pandemic and the stresses and strains that it provoked marked the charity's finest hour to date in the sense that it dramatically expanded its global footprint and visibility, and its work was cited domestically and worldwide as providing a key contribution to education on our research areas.

Obviously, during these unprecedented times owing to the COVID-19 global pandemic, the charity adjusted its offering in many ways. With the threat of infection looming, the first measure taken in mid-March 2020 was for staff and volunteers to be asked to work from home for the foreseeable future, in order to safeguard their health. With the imposition of full national lockdown, all events booked in for the near future were cancelled or postponed. The charity started to consider possible long-term damage to the economy and a permanent change to all businesses as a result of how they were able to adapt to the conditions. Given the financial uncertainty that loomed, the charity furloughed 4 members of staff - a fifth one was later furloughed - and extra checks were put in place around financial monitoring and planning.

At that point the charity changed its direction slightly away from its general day to day business, but still very much within its objectives. A decision was made to focus new research on Coronavirus related subjects that fitted in with our existing areas of expertise in order to attempt to maintain relevance in a period when only Covid-19 related projects were likely to generate any media or policy interest. Given the need to focus on retaining income, impact and influence, this was seen as the only viable strategy. It was noted there was a small chance that those unused to seeing the charity tackle new topics at such swift speeds might feel discombobulated by the change, but this was felt an acceptable risk to take in the context of an unprecedented crisis and where media and policy attention on the big issues of the day being covered by the charity would counteract any concerns.

The success of this strategy can be seen in the extraordinary impact that the charity has had globally - sparking conversation worldwide - on the issues of Coronavirus compensation and the need to reassert security of trade and supply from multiple sources in key industries linked to national security. The benefits have been:

1. Global media exposure
2. Global political exposure
3. Donors noticing our work, thereby protecting our income stream
4. The general public responding to our work

The charity further adapted by successfully running multiple virtual events during this period which have been attended by thousands of people worldwide, greatly furthering our reach and exposure. We also did not neglect more traditional areas of business, ensuring continuity as well as change.

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REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 DECEMBER 2020

As always, the way was led with our research division, which produced 20 high quality publications covering all areas of the subjects of our expertise. These were widely circulated to the government, political world, academia, media and general public. Our policy research was well received and frequently cited in public discourse and has had a discernible impact on government thinking and policy as can be seen by announcements following publication of our research. For example, shortly after the publication of our landmark paper on supply chain dependency, Her Majesty's Government initiated Project Defend, a major project to understand and mitigate the risks to the British economy from supply chain dependency. Meanwhile, our paper on the admission of foreign students to conduct sensitive research at British universities which was the first major paper in this space has seen a series of important reforms to HMG's Academic Technology Approval Scheme. Our experts have been consulted by a range of interlocutors including relevant government departments, the police, the military, academia and the media. They have also provided background information, guidance and commentary on a variety of topics and testimonies to Parliamentary inquiries, as well as providing commentary on national and international television and radio and in person via video at major conferences and summits.

Our events programme also enjoyed continued success in 2020, with over 50 events being held, many of which were held online after the start of the pandemic. 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. This year, 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 focus online. Specific notable achievements included:

- Hosting over 50 events and briefings in Parliament and online and welcoming the US Secretary of State, Mike Pompeo, to a specially convened roundtable in person during a lull in pandemic waves. As well as several events with speakers like John Bolton, Pascal Lamy, Andrew Hastie, Niall Ferguson, Jeremy Hunt, Brian Hook and Tom Tugendhat, Sarah Champion, Tobias Ellwood and Bob Seely.
- Producing 20 research publications. These ranged from in-depth reports, to shorter policy papers geared towards making policy-relevant recommendations, including:
 - Russian Kleptocracy and The Rule of Law: How the Kremlin Undermines European Judicial Systems
 - Free To Be Extreme
 - Core Assumptions and British Strategic Policy
 - UNRWA's Future Reconsidered
 - Far-Right Terrorist Manifestos: A Critical Analysis
 - Coronavirus Compensation? Assessing China's Potential Culpability and Avenues of Legal Response
 - The Indo-Pacific: An Enlarged Perspective
 - Countering the Far Right: An Anthology
 - Breaking the China Supply Chain: How the 'Five Eyes' can Decouple from Strategic Dependency
 - Weaponisation of COVID-19: Far-Right Antisemitism in the UK and US
 - Leaving Lockdown: The Impact of COVID-19 on Civil Liberties and National Security in the UK & US
 - British Muslim anti-Semitism
 - National Resilience Index 2020: An Assessment of the D-10
 - Black Lives Matter UK: An Anthology
 - Brain Drain: The UK, China, and the Question of Intellectual Property Theft
 - The Indo-Pacific: British and Vietnamese Perspectives
 - Russian 'Black PR': Examining the Practice of Ruining Reputations
 - Impact and Effectiveness: Sanctions on Russia 2014-2020
 - Reconstructing North Korea: Challenges and Opportunities
 - Covid-1 year on

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

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.

Financial position

The charity received a reduced level of income in the year 2020 compared to the previous year. This was mainly due to delays in receiving donation and grant income owing to the widescale impact of the pandemic. The total income for the year was £794,182 (2019: £1,482,382). The total expenditure for the year has decreased by 16.5% to £1,008,182 (2019: £1,208,213), this was mainly due to a reduction in staff costs. The charity results show a deficit of £214,000 during the year (2019: £274,169 surplus). The unrestricted funds decreased to £101,236 (2019: £315,236).

Free reserves at 31 December 2020 amounted to £97,567 (2019 £314,476)

Reserves policy

The charity aims to hold levels of reserves of at least three months operating expenses. 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 2021. This will be achieved by: 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 regularly. 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.

Impact of Covid-19 on the charity's operations

Needless to say, the world is facing one of the most challenging times in history with a global pandemic that has spread internationally and continues to morph. Having proven its ability to weather the storm and prosper, the charity has continued to focus its energies on making sure it is ahead of pandemic related change while also seizing opportunities to press ahead on global and domestic issues that Covid has thrown up in its wake. The extraordinary impact that the charity has had globally in 2020 - sparking conversation worldwide - on the issues of Coronavirus compensation and strategic decoupling from Chinese trade monopolies for example speak for themselves.

The charity will continue to run virtual events for the near future and has a phased return to work plan in motion incorporating flexible working, government guidance and the health and safety of our staff at the forefront of what we do.

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

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.
- Loss of income due to withdrawal of support from individual and corporate members - the organisation is in regular contact with its members and actively seeks to bring on new ones.
- 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.
- Reputational risk associated with the quality and integrity of research and publications produced by the organisation. All publications are peer reviewed internally and often by at least 2 external peer reviewers, as well as proof-read and where appropriate reviewed by a libel reviewer.

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 2020**

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

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 20th September 2021 and signed on the board's behalf by:

DocuSigned by:

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.....
Dr B P Simms - Trustee

DocuSigned by:

0ABCCEDCE6864D6...

.....
Mr D Rasouly - 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 2020.

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.

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 registered member of ACA 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.

S Plumb ACA

Susan Plumb ACA
Haines Watts
Chartered Accountants
Old Station House
Station Approach
Newport Street
Swindon
Wiltshire
SN1 3DU

Date: *28 Sept 2021*

THE HENRY JACKSON SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020

		2020 Unrestricted fund £	2019 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	781,287	1,464,687
Other trading activities	3	12,169	12,082
Investment income	4	13	14
Other income		<u>713</u>	<u>5,599</u>
Total		794,182	1,482,382
 EXPENDITURE ON			
Charitable activities	5		
Charitable activities		<u>1,008,182</u>	<u>1,208,213</u>
 NET INCOME/(EXPENDITURE)		(214,000)	274,169
 RECONCILIATION OF FUNDS			
Total funds brought forward		<u>315,236</u>	<u>41,067</u>
 TOTAL FUNDS CARRIED FORWARD		<u><u>101,236</u></u>	<u><u>315,236</u></u>

THE HENRY JACKSON SOCIETY
STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2020

	Notes	2020 Unrestricted fund £	2019 Total funds £
FIXED ASSETS			
Tangible assets	11	3,668	759
Investments	12	<u>1</u>	<u>1</u>
		3,669	760
CURRENT ASSETS			
Debtors	13	59,724	124,811
Cash at bank		<u>168,966</u>	<u>250,743</u>
		228,690	375,554
CREDITORS			
Amounts falling due within one year	14	(86,123)	(61,078)
		<u>142,567</u>	<u>314,476</u>
NET CURRENT ASSETS			
		146,236	315,236
CREDITORS			
Amounts falling due after more than one year	15	(45,000)	-
		<u>101,236</u>	<u>315,236</u>
NET ASSETS			
		101,236	315,236
FUNDS	18		
Unrestricted funds		<u>101,236</u>	<u>315,236</u>
TOTAL FUNDS		<u>101,236</u>	<u>315,236</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.


THE HENRY JACKSON SOCIETY

**STATEMENT OF FINANCIAL POSITION - continued
31 DECEMBER 2020**

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 and were signed on its behalf by:

DocuSigned by:

1683574E680D444...

.....
Dr A L Mendoza - Trustee

THE HENRY JACKSON SOCIETY

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(127,578)</u>	<u>192,203</u>
Net cash (used in)/provided by operating activities		<u>(127,578)</u>	<u>192,203</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(4,212)	(999)
Interest received		<u>13</u>	<u>14</u>
Net cash used in investing activities		<u>(4,199)</u>	<u>(985)</u>
Cash flows from financing activities			
New loans in year		<u>50,000</u>	<u>-</u>
Net cash provided by financing activities		<u>50,000</u>	<u>-</u>
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the reporting period		(81,777)	191,218
Cash and cash equivalents at the beginning of the reporting period		<u>250,743</u>	<u>59,525</u>
Cash and cash equivalents at the end of the reporting period		<u>168,966</u>	<u>250,743</u>

THE HENRY JACKSON SOCIETY

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(214,000)	274,169
Adjustments for:		
Depreciation charges	1,303	2,757
Interest received	(13)	(14)
Decrease/(increase) in debtors	65,087	(69,785)
Increase/(decrease) in creditors	<u>20,045</u>	<u>(14,924)</u>
Net cash (used in)/provided by operations	<u>(127,578)</u>	<u>192,203</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/20 £	Cash flow £	At 31/12/20 £
Net cash			
Cash at bank	<u>250,743</u>	<u>(81,777)</u>	<u>168,966</u>
	<u>250,743</u>	<u>(81,777)</u>	<u>168,966</u>
Debt			
Debts falling due within 1 year	-	(5,000)	(5,000)
Debts falling due after 1 year	-	<u>(45,000)</u>	<u>(45,000)</u>
	-	<u>(50,000)</u>	<u>(50,000)</u>
Total	<u>250,743</u>	<u>(131,777)</u>	<u>118,966</u>

THE HENRY JACKSON SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

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

The on-going COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the charity's operations, funding, suppliers and wider economy. The Trustees' view on the impact of COVID-19 is that, given the measures that could be undertaken to mitigate the current adverse conditions and the current resources available, they can continue to adopt the going concern basis in preparing the financial statements.

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.

THE HENRY JACKSON SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES - continued

Fund accounting

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.

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.

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

	2020	2019
	£	£
Donations	657,299	1,428,603
Membership fees	47,234	36,084
Grants	<u>76,754</u>	<u>-</u>
	<u><u>781,287</u></u>	<u><u>1,464,687</u></u>

The charity received a reduced level of income in the year 2020 compared to the previous year. This was mainly due to delays in receiving donation and grant income owing to the widescale impact of the pandemic.

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

	2020	2019
	£	£
Government grant - Coronavirus job retention scheme	76,129	-
Government Business Interruption Payment	<u>625</u>	<u>-</u>
	<u><u>76,754</u></u>	<u><u>-</u></u>

THE HENRY JACKSON SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

3. OTHER TRADING ACTIVITIES

	2020	2019
	£	£
Activities for generating funds	<u>12,169</u>	<u>12,082</u>

4. INVESTMENT INCOME

	2020	2019
	£	£
Deposit account interest	<u>13</u>	<u>14</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Charitable activities	<u>912,539</u>	<u>95,643</u>	<u>1,008,182</u>

6. SUPPORT COSTS

	Other £	Governance costs £	Totals £
Charitable activities	<u>86,904</u>	<u>8,739</u>	<u>95,643</u>

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

	2020 Charitable activities £	2019 Total activities £
Staff costs - support	33,948	40,750
Office costs	39,960	40,913
Legal and professional	12,996	18,002
Staff costs - governance	6,789	6,558
Independent Examiner's fee / Auditors' fee	<u>1,950</u>	<u>8,000</u>
	<u>95,643</u>	<u>114,223</u>

THE HENRY JACKSON SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**7. NET INCOME/(EXPENDITURE)**

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

	2020	2019
	£	£
Independent Examiner's fee / Auditors' fee	1,950	8,000
Depreciation - owned assets	<u>1,303</u>	<u>2,757</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the year ended 31 December 2019.

9. STAFF COSTS

	2020	2019
	£	£
Wages and salaries	602,944	704,145
Social security costs	62,765	75,090
Other pension costs	<u>13,259</u>	<u>14,888</u>
	<u>678,968</u>	<u>794,123</u>

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

	2020	2019
Number	<u>13</u>	<u>15</u>

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

	2020	2019
£60,001 - £70,000	-	1
£130,001 - £140,000	<u>1</u>	<u>1</u>
	<u>1</u>	<u>2</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 £281,007 (2019: £228,840).

THE HENRY JACKSON SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	1,464,687
Other trading activities	12,082
Investment income	14
Other income	<u>5,599</u>
Total	1,482,382
 EXPENDITURE ON	
Charitable activities	
Charitable activities	<u>1,208,213</u>
 NET INCOME	274,169
 RECONCILIATION OF FUNDS	
Total funds brought forward	41,067
 TOTAL FUNDS CARRIED FORWARD	<u><u>315,236</u></u>

THE HENRY JACKSON SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**11. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £
COST	
At 1 January 2020	34,544
Additions	<u>4,212</u>
At 31 December 2020	<u>38,756</u>
DEPRECIATION	
At 1 January 2020	33,785
Charge for year	<u>1,303</u>
At 31 December 2020	<u>35,088</u>
NET BOOK VALUE	
At 31 December 2020	<u><u>3,668</u></u>
At 31 December 2019	<u><u>759</u></u>

12. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1 January 2020 and 31 December 2020	<u>1</u>
NET BOOK VALUE	
At 31 December 2020	<u><u>1</u></u>
At 31 December 2019	<u><u>1</u></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:

THE HENRY JACKSON SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

12. FIXED ASSET INVESTMENTS - continued

Strategic Analysis Limited

Registered office: United Kingdom

Nature of business: Management consultancy activities
%Class of share: holding
Ordinary shares 100

	2020	2019
	£	£
Aggregate capital and reserves	(31,685)	(31,685)
Loss for the year	<u>-</u>	<u>(2,771)</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade debtors	12,031	56,633
Amounts owed by group undertakings	2,790	2,790
Other debtors	2,683	32,419
VAT	9,251	-
Prepayments and accrued income	<u>32,969</u>	<u>32,969</u>
	<u>59,724</u>	<u>124,811</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Bank loans and overdrafts (see note 16)	5,000	-
Trade creditors	32,647	4,845
Social security and other taxes	19,027	23,805
Accruals and deferred income	<u>29,449</u>	<u>32,428</u>
	<u>86,123</u>	<u>61,078</u>

Included in accruals and deferred income is £15,432 (2019 £24,428) which relates to membership fees received in advance for the year ended 31 December 2021.

THE HENRY JACKSON SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

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

	2020	2019
	£	£
Bank loans (see note 16)	<u>45,000</u>	<u>-</u>

16. LOANS

An analysis of the maturity of loans is given below:

	2020	2019
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>5,000</u>	<u>-</u>
Amounts falling between one and two years:		
Bank loans - 1-2 years	<u>10,000</u>	<u>-</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>35,000</u>	<u>-</u>

17. LEASING AGREEMENTS

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

	2020	2019
	£	£
Within one year	90,916	96,942
Between one and five years	<u>22,729</u>	<u>130,213</u>
	<u>113,645</u>	<u>227,155</u>

18. MOVEMENT IN FUNDS

	At 1/1/20	Net movement in funds	At 31/12/20
	£	£	£
Unrestricted funds			
General fund	315,236	(214,000)	101,236
	<u>315,236</u>	<u>(214,000)</u>	<u>101,236</u>
TOTAL FUNDS	<u>315,236</u>	<u>(214,000)</u>	<u>101,236</u>

THE HENRY JACKSON SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

18. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	794,182	(1,008,182)	(214,000)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>794,182</u>	<u>(1,008,182)</u>	<u>(214,000)</u>

Comparatives for movement in funds

	At 1/1/19 £	Net movement in funds £	At 31/12/19 £
Unrestricted funds			
General fund	41,067	274,169	315,236
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>41,067</u>	<u>274,169</u>	<u>315,236</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,482,382	(1,208,213)	274,169
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>1,482,382</u>	<u>(1,208,213)</u>	<u>274,169</u>

THE HENRY JACKSON SOCIETY

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

18. MOVEMENT IN FUNDS - continued

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

	At 1/1/19 £	Net movement in funds £	At 31/12/20 £
Unrestricted funds			
General fund	41,067	60,169	101,236
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>41,067</u>	<u>60,169</u>	<u>101,236</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	2,276,564	(2,216,395)	60,169
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>2,276,564</u>	<u>(2,216,395)</u>	<u>60,169</u>

19. RELATED PARTY DISCLOSURES

Dr Alan Mendoza, a trustee, received remuneration during the year of £139,419 (2019 £137,599), including £1,308 (2019 £1,188) 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 (2019 £2,790) from the charity's 100% owned subsidiary Strategic Analysis Limited.