

Company number: 02951448

EJAF Trading Limited

Annual Report and Financial Statements for the Year Ended 31 December 2018

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EJAF TRADING LIMITED
COMPANY INFORMATION

Directors	Sir Elton John Anne Aslett David Furnish
Company number	02951448
Registered office	1 Blythe Road London W14 0HG
Auditors	UHY Hacker Young LLP Quadrant House 4 Thomas More Square London E1W 1YW

**EJAF TRADING LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018**

The directors present their report and the financial statements for the year ended 31 December 2018.

Directors of the Company

The directors who held office during the year were as follows:

Sir Elton John
Anne Aslett
David Furnish

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 30 April 2019 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Anne Aslett', is written over the text 'Approved by the Board on 30 April 2019 and signed on its behalf by:'. The signature is stylized and cursive.

Anne Aslett
Director

**EJAF TRADING LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2018**

Auditor

UHY Hacker Young were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE EJAF TRADING LIMITED

Opinion

We have audited the financial statements of EJAF Trading Limited (the 'company') for the year ended 31 December 2018 which comprise the profit and loss account, statement of comprehensive income the balance sheet 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 FRS 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 group and the company's affairs as at 31 December 2018 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- 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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group'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 directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE EJAF TRADING LIMITED

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 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 our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the statement of directors' responsibilities, the directors 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 directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF THE EJAF TRADING LIMITED**

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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Subarna Banerjee (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young**

**Chartered Accountants
Statutory Auditor**

Quadrant House
4 Thomas More Square
London
E1W 1YW
United Kingdom

3 May 2019

EJAF TRADING LIMITED
INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018

		Total 2018 £	Total 2017 £
Turnover	3	2,349,656	2,363,828
Cost of sales		(1,180,494)	(612,964)
Gross profit		<u>1,169,162</u>	<u>1,750,864</u>
Administrative expenses		(1,171,586)	(1,751,066)
Operating loss		<u>(2,424)</u>	<u>(202)</u>
Other interest receivable and similar income		2,424	202
Result before tax		<u>-</u>	<u>-</u>
Result for the financial year		<u><u>-</u></u>	<u><u>-</u></u>

The notes on pages 13 to 15 form an integral part of these financial statements.

EJAF TRADING LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018

	Total 2018 £	Total 2017 £
Profit for the year	-	-
Total comprehensive income for the year	-	-

EJAF TRADING LIMITED
(REGISTRATION NUMBER: 02951448)
BALANCE SHEET
AS AT 31 DECEMBER 2018

	Notes	2018 £	2017 £
Fixed assets			
Tangible assets	6	5,868	8,062
		<u>5,868</u>	<u>8,062</u>
Current assets			
Debtors	7	75,179	159,750
Cash at bank and in hand		515,276	705,541
		<u>590,455</u>	<u>865,291</u>
Creditors: amounts falling due within one year	8	(596,322)	(873,352)
Net current liabilities		<u>(5,867)</u>	<u>(8,061)</u>
Net assets		<u>1</u>	<u>1</u>
Capital and Reserves			
Called up share capital	9	1	1
Total equity shareholders' funds		<u>1</u>	<u>1</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime.

Approved and authorised by the Board on 30 April 2019 and signed on its behalf by:

Anne Aslett
Director

The notes on pages 13 to 15 form an integral part of these financial statements.

EJAF TRADING LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018

	Share Capital £	Total £
At 1 January 2018	1	1
At 31 December 2018	1	1
At 1 January 2017	1	1
At 31 December 2017	1	1

1 General Information

The company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is:

1 Blythe Road
London W14 0HG
United Kingdom

Principal activity

The principal activity of the company is the management of fundraising events.

2 Accounting policies

2a Statement of compliance

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound sterling.

2b Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Asset class	Depreciation method and rate
Plant and machinery	20% reducing balance

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenue and expenses during the year. However the nature of estimation means that actual outcomes could differ from those estimates. In the Director's opinion there are no significant judgements or key sources of estimation uncertainty.

Turnover recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The Company recognises revenue when:
the amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity; and
specific criteria have been met for each of the Company's activities.

Tangible assets

Tangible fixed assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and machinery	20% reducing balance

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Debtors

Basic financial assets including trade and other debtors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest methods, less any impairment.

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Creditors

Basic financial liabilities, including trade and other creditors, loans from third parties and loans from related parties, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Such instruments are subsequently carried at amortised cost using the effective interest method, less any impairment.

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if the Company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the Company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in current and prior periods.

Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in income statement.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3 Turnover

	2018	2017
	£	£
Trading income	<u>2,349,657</u>	<u>2,363,828</u>

4 Employment costs

	2018	2017
	£	£
Wages and salaries	119,193	127,182
Social security costs	14,222	15,105
Other pension costs	12,582	11,884
Other employment costs	3,675	2,853
	<u>149,672</u>	<u>157,024</u>

There were no employees whose annual emoluments were £60,000 or more.

Number of employees

The average number of persons employed by the company (including directors) during the year was 6 (2017 - 7).

5 Operating loss

Operating loss is stated after charging:

Audit remuneration - fees payable to the company's auditor and associates.

For audit services

	2018	2017
	£	£
Audit of the financial statements of the company	<u>6,243</u>	<u>7,443</u>

6	Tangible assets	Plant and machinery £	Total £
	Cost or valuation		
	At 1 January 2018	23,036	23,036
	Additions	-	-
	At 31 December 2018	23,036	23,036
	Depreciation		
	At 1 January 2018	14,974	14,974
	Charge for the year	2,194	2,194
	At 31 December 2018	17,168	17,168
	Net book value		
	At 31 December 2018	5,868	5,868
	At 31 December 2017	8,062	8,062
7	Debtors	2018 £	2017 £
	Trade debtors	35,000	125,000
	Other debtors	40,179	34,750
		75,179	159,750
8	Creditors: amounts falling due within one year	2018 £	2017 £
	Trade creditors	78,869	2,542
	Amounts owed to group undertakings and undertakings in which the company has a participating interest	390,607	819,865
	Other creditors	126,846	50,945
		596,322	873,352
9	Called up share capital	2018 £	2017 £
	Ordinary share capital		
	Issued and fully paid		
	1 Ordinary Shares of £1 each	1	1
10	Dividends		
	There were no dividends paid or proposed in either the current year or the previous year.		
11	Charitable donations		
	The company made a charitable donation of £1,006,399 (2017: £1,576,307) in the year to the Elton John AIDS Foundation, the company's parent undertaking.		
12	Parent company		
	The ultimate parent company is The Elton John Aids Foundation, a company registered in England and Wales. This is the largest company for which consolidated group financial statements are prepared. Group financial statements and copies are available from Companies House.		
13	Related party transactions		
	During the year, a Trustee purchased an auction item for £15,000. The balance outstanding from the Trustee at the year end was £nil (2017 - £nil).		