

Registered number: 05834838
Charity number: 1114574

Franks Family Foundation

(A Company Limited by Guarantee)

Report And Financial Statements

31 December 2020

Franks Family Foundation
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY / FOUNDATION, ITS TRUSTEES AND ADVISERS

Trustees

G Avshalom
S E Franks
D V Dorrell
Lord Mendelsohn
C F Hodler
HRH Princess Beatrice of York

Company registered number

05834838

Charity registered number

1114574

Registered office

Orwell House, 5th Floor, 16-18 Berners Street, London, W1T 3LN

Company secretary

S L Haynes

Independent auditors

Blick Rothenberg Audit LLP, 16 Great Queen Street, London, WC2B 5AH

Bankers

Coutts & Co, 440 Strand, London, WC2R 0QS

CHAIRMAN'S STATEMENT
For the Year Ended 31 December 2020

2020 was a year many of us would like to forget. The impact of the Covid pandemic was felt far and wide and our projects in South East Asia did not escape. The fear of the Pandemic running rife through lesser developed countries with very much less developed public health systems, was high. The corresponding severity of lock downs reflected this level of fear. The three main countries we operate in, Cambodia, Laos and Nepal have all witnessed protracted lock downs which have significantly hampered our programs.

This is nowhere more true than in Laos. After years of planning, persuading and lobbying, 2020 was to be the year we became the first foreign organisation to manage a government school in Laos, having been given the governments support for NGS (New Generation Schools) to operate in Laos.

However instead of our teacher training specialists, school managers and FFF staff arriving in Jan / Feb of 2020, the country started closing its borders and schools. That situation has not changed today over a year later. So our timetable, is to put it mildly, 'somewhat under review'. We do have some staff on the ground working on preparation and hope to take full control of our first school in Laos in summer 2022, but nothing is certain at this time.

Sadly, there has been other difficulties for our programs too. One very sad one is that the teacher who was destined be the first head teacher in Laos of our school, was diagnosed with an aggressive cancer and will not be able to take up his post. He is a big loss to the program and will not be easily replaced. We wish him a full and speedy recovery.

But it wasn't all bad news in 2020. The most comforting news, was that of the many thousands of children in the programs we are engaged with, none suffered terminal health consequences as a result of the pandemic. The public health programs we are partners in, all somehow managed to navigate the pandemic well and continued to provide high quality medical services all throughout this period. We salute all the teams on the front line whom have been so brave and worked so hard.

There was also good news on the finance front. The investment activities of the foundation had another successful year despite the volatility caused by the Pandemic. Our finances are in good health and this will ensure we can continue to fund all our programs and initiatives for the foreseeable future.

I do very much hope that the world is kinder next year and we can all get back on track. As always I would like to thank my fellow trustees who do so much work on the foundation's behalf. And on behalf of all the trustees, we would like to thank all of the direct and indirect employees of the foundation, whose commitment we value so much.



Simon Franks
Chairman

Date 15 Dec 2021

TRUSTEES' REPORT
For the Year Ended 31 December 2020

The Trustees present their annual report together with the audited financial statements of the Company / Foundation for the 1 January 2020 to 31 December 2020. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP), 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).

Since the Company / Foundation qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Objectives and Activities

a. Policies and objectives

Franks Family Foundation (hereafter "FFF" or "the Company / Foundation") is a company limited by guarantee, with charitable status and governed by its Memorandum and Articles of Association.

FFF was established on 1 June 2006 to serve as the primary charitable vehicle of the Franks family.

The Franks Family Foundation's mission is to contribute to making the world a more educated, healthier, kinder, fairer place. Through its programmes, the charity hopes to create a generation of educated and healthy young leaders, committed to their respective countries and to help build a brighter future both for themselves, their communities and for the next generations.

The FFF also has a remit to support the arts and especially the promotion of the arts as a tool of enhancing social cohesion, creativity and self expression.

Achievements and performance

a. Review of activities

A review of the Company's activities is included in the Chairman's Statement on page 2. During the period ended 31 December 2020 a total of £147,037 (2019: £305,714 as restated) was granted to charitable organisations. Further details of the donations made are included in note 3 to the accounts.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing objectives and activities.

Financial review

a. Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the Company / Foundation has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

b. Reserves policy

FFF's funding is dependent on donations. The organisation does not have substantial reserves tied to fixed assets. Revaluation reserves are not considered to be realised.

At 31 December 2020 general reserves, excluding revaluation reserves, were £5,165,391 (2019: £5,667,282)

TRUSTEES' REPORT (continued)
For the Year Ended 31 December 2020

due to the accumulation of funds during the period.

The Foundation's reserves policy continues to reflect the extremely low interest rate environment and the perceived low returns available in the public financial markets. In such an environment the Foundation anticipates it will continue to spend at least 100% of its investment income each year. In years when the investment income is low or negative, the Foundation will spend more than its investment income using reserves to cover the deficit.

In efforts to increase its investment income the Foundation has continued to expand its investments in early stage non listed companies and continues to actively manage its foreign exchange positions.

Structure, governance and management

a. Constitution

The Company / Foundation is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association.

The Company / Foundation is constituted under a Memorandum of Association and is a registered charity number 1114574.

There have been no changes in the objectives since the last annual report.

The following were Trustees of the Company / Foundation during the year and subsequently:

G Avshalom
S E Franks
D V Dorrell
Lord Mendelsohn
C F Hodler
V Lattana (resigned 30 November 2020)
HRH Princess Beatrice of York

b. Method of appointment or election of Trustees

The management of the Company / Foundation is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

c. Risk management

The Trustees have assessed the major risks to which the Company / Foundation is exposed, in particular those related to the operations and finances of the Company / Foundation, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

The trustees note that FFF funding is dependent on donations, and thus far donations have only been from Simon Franks or companies controlled by Simon Franks.

TRUSTEES' REPORT (continued)
For the Year Ended 31 December 2020

Trustees' responsibilities statement

The Trustees (who are also directors of Franks Family Foundation for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments 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 charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved have confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

The auditors, Blick Rothenberg Audit LLP, have indicated their willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

This report was approved by the Trustees, on 15 December 2021 and signed on their behalf by:



S E Franks
Trustee

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FRANKS FAMILY FOUNDATION

Opinion

We have audited the financial statements of Franks Family Foundation (the 'charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' 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.

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FRANKS FAMILY FOUNDATION
(CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' Report included within the Trustee's report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, and noncompliance with laws and regulations, our procedures included the following: enquiring of management concerning the charitable company's policies with regards identifying, evaluating and complying with laws and

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FRANKS FAMILY FOUNDATION
(CONTINUED)**

regulations and whether they were aware of any instances of non-compliance; enquiring of management concerning the charitable company's policies detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; enquiring of management concerning the charitable company's policies in relation to the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations; discussing among the engagement team where fraud might occur in the financial statements and any potential indicators of fraud; and obtaining an understanding of the legal and regulatory framework that the charitable company operates in and focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the charitable company. The key laws and regulations we considered in this context included the UK Companies Act 2006, the Charities Act 2011 and applicable tax legislation.

One particular focus area was the risk of fraud through management override of controls. Our procedures to respond to risks identified included the following: performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; reviewing the bank statements of the charitable company for evidence of any large or unusual activity which may be indicative of fraud; enquiring of management in relation to any potential litigation and claims; and testing the appropriateness of journal entries and other adjustments.

Another focus area was non-compliance with the rules of the Charity Commission. The charitable company was authorised and regulated by the Charity Commission throughout the period. Our procedures to respond to risks identified included the following: reviewing correspondence between the charitable company and the Charity Commission; reviewing in detail the grants made by the charitable company during the period; and discussion of regulatory matters with the appointed officers of the charitable company.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify noncompliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Alexander Macpherson (Senior Statutory Auditor)

for and on behalf of

Blick Rothenberg Audit LLP

Statutory auditor

16 Great Queen Street

London

WC2B 5AH

17 December 2021

Franks Family Foundation
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
For the Year Ended 31 December 2020

	Note	Unrestricted funds 2020 £	Total funds 2020 £	As restated Total funds 2019 £
Income from:				
Investments	2	87,670	87,670	44,284
Total income		87,670	87,670	44,284
Expenditure on:				
Charitable activities:				
Grants paid	3	157,179	157,179	332,640
Exchange rate (gains)/losses		186,825	186,825	144,713
Governance	4	64,831	64,831	80,296
Total expenditure		408,835	408,835	557,649
Net expenditure before investment gains		(321,165)	(321,165)	(513,365)
Net gains on investments	6	1,869,172	1,869,172	1,574,832
Provision against investment gains	15	(450,000)	(450,000)	-
Net income before other recognised gains and losses		1,098,007	1,098,007	1,061,467
Net movement in funds		1,098,007	1,098,007	1,061,467
Reconciliation of funds:				
Total funds brought forward		5,908,358	5,908,358	4,846,891
Total funds carried forward		7,006,365	7,006,365	5,908,358

The notes on pages 12 to 20 form part of these financial statements.

Franks Family Foundation
(A Company Limited by Guarantee)
Registered number: 05834838

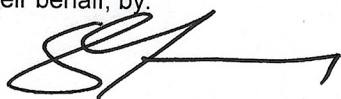
BALANCE SHEET
As at 31 December 2020

	Note	£	2020 £	£	2019 £
Fixed assets					
Investments	6		2,142,836		773,158
Current assets					
Debtors	7	169,218		-	
Investments	8	2,484,650		1,494,495	
Cash at bank and in hand	10	2,876,941		3,799,455	
			<u>5,530,809</u>	<u>5,293,950</u>	
Creditors: amounts falling due within one year	9	(217,280)		(158,750)	
Net current assets			<u>5,313,529</u>		<u>5,135,200</u>
Total assets less current liabilities			<u>7,456,365</u>		<u>5,908,358</u>
Provisions for liabilities	15		<u>(450,000)</u>		<u>-</u>
Net assets			<u><u>7,006,365</u></u>		<u><u>5,908,358</u></u>
Charity Funds					
Unrestricted funds	11		<u>7,006,365</u>		<u>5,908,358</u>
Total funds			<u><u>7,006,365</u></u>		<u><u>5,908,358</u></u>

The Company / Foundation's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 15 December 2021 and signed on their behalf, by:

S E Franks
Trustee



The notes on pages 12 to 20 form part of these financial statements.

Franks Family Foundation
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
For the Year Ended 31 December 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash used in operating activities	13	(236,188)	(456,047)
Cash flows from investing activities:			
Dividends and interest from investments		33,882	44,284
Proceeds from disposal of investments		104,971	2,256,373
Purchase of investments		(825,179)	(360,952)
Net cash (used in)/provided by investing activities		(686,326)	1,939,705
Change in cash and cash equivalents in the year		(922,514)	1,483,658
Cash and cash equivalents brought forward		3,799,455	2,315,797
Cash and cash equivalents carried forward	14	2,876,941	3,799,455

The notes on pages 12 to 20 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2020

1. Accounting Policies

1.1 General information

Franks Family Foundation is a company limited by guarantee, incorporated in England & Wales, with its registered office at 5th Floor, Orwell House, 16-18 Berners Street, London W1T 3LN.

1.2 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Franks Family Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.3 Company status

The Company / Foundation is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the Company / Foundation being wound up, the liability in respect of the guarantee is limited to £10 per member of the Company / Foundation.

1.4 Income

All income is recognised once the Company / Foundation has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Provision is made for donation payments at the time the decision is taken by the board of directors, to the extent that this decision has been communicated to the recipient of the donation. Where donations have been determined by the board but have not been notified to the recipient a contingent liability results and the donation expense is transferred to a designated fund until such time as it falls due.

Charitable activities and Governance costs are costs incurred on the Company / Foundation's operations, including support costs and costs relating to the governance of the Company / Foundation apportioned to charitable activities.

1.6 Investments

All investments are held primarily for an investment return.

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment.

Listed investments are stated at market value at the balance sheet date. Unrealised gains and losses on market value movements, including foreign exchange movements, are recorded as other gains or losses in a separate revaluation reserve, except to the extent that cumulative unrealised losses exceed cumulative realised gains which are recorded in income and expenditure. Unlisted investments are stated at cost less impairment.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2020

1. Accounting Policies (continued)

1.7 Debtors

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

1.8 Other financial instruments

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

1.9 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

1.10 Pensions

The Company / Foundation operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Company / Foundation to the fund in respect of the year.

1.11 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Company / Foundation and which have not been designated for other purposes.

2. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Dividends receivable	29,163	29,163	36,500
Interest receivable/(payable) on cash holdings	(2,510)	(2,510)	7,784
Subtotal	<u>26,653</u>	<u>26,653</u>	<u>44,284</u>
Other investment income	61,017	61,017	-
	<u>87,670</u>	<u>87,670</u>	<u>44,284</u>
<i>Total 2019</i>	<u>44,284</u>	<u>44,284</u>	

Franks Family Foundation
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2020

3. Donations

All of the Company / Foundation's donations are made for charitable purposes. An analysis of donations is given below.

	2020 £	As restated 2019 £
Donations to institutions: 4 (2019: 13)	3,684	118,149
Donations to projects: 9 (2019: 5)	51,353	69,565
Advertising space provided	92,000	118,000
	<hr/>	<hr/>
Grants to charitable organisations	147,037	305,714
Travel costs - capital project research	10,142	26,926
	<hr/>	<hr/>
Total charitable expenditure	<u>157,179</u>	<u>332,640</u>

Further details of the Company / Foundation's donation-giving activities are disclosed in the Trustees' report.

Advertising space provided relates to the costs of purchasing advertising space from related companies (see note 15) which is then provided free of charge to other charitable institutions. The comparative amount for 2019 of £118,000 was previously disclosed as a governance cost and has been restated. The restatement is a reclassification between classes of expenditure and has had no impact on the total expenditure or net income for the year ended 31 December 2019.

All travel costs arose from reimbursing trustees' expenses.

Franks Family Foundation
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2020

4. Governance costs

	Unrestricted funds 2020 £	Total funds 2020 £	<i>As restated Total funds 2019 £</i>
Governance costs	64,831	64,831	80,296

Governance costs for the year/period are shown below:

	2020 £	<i>As restated 2019 £</i>
Wages and salaries	46,794	40,952
Social security costs	5,343	851
Pension costs	892	7,436
Consultancy, legal and professional	1,050	14,884
Auditors' remuneration	-	-
Bank charges	5,601	7,512
Entertainment	235	785
Other operating costs	4,916	7,876
	64,831	80,296

The Company / Foundation had five (2019: three) employees during the period. In order to save costs the Company / Foundation shares its payroll with Redbus Ventures Limited, a related party. Further details are given in note 15.

Governance costs as disclosed in 2019 included £118,000 for costs recharged by a related party that have subsequently been classified as a donation (see note 3).

The foundation has many indirect employees in its operations in Asia.

5. Taxation

As a registered charity the Company / Foundation is exempt from Corporation Tax.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2020

6. Fixed asset investments

	Unlisted securities £
Market value	
At 1 January 2020	773,158
Additions	275,101
Disposals	(73,108)
Revaluations	1,267,685
Reclassifications	(100,000)
At 31 December 2020	<u>2,142,836</u>
Historical cost	<u>885,236</u>

Fixed asset investments comprise:

	2020 £	2019 £
Unlisted investments	<u>2,142,836</u>	<u>773,158</u>

Commitments

The Company / Foundation has committed £639,137 (2019: £824,484) in respect of investments in unlisted fund that are not yet drawn down.

7. Debtors

	2020 £	2019 £
Other debtors	<u>169,218</u>	<u>-</u>

8. Current asset investments

	2020 £	2019 £
Listed investments	<u>2,484,650</u>	<u>1,494,495</u>

Listed investments

The market value of the listed investments at 31 December 2020 was £2,484,650 (2019 - £1,494,495).

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2020

The historic cost of investments was £1,909,791 (2019: £1,253,419).

The book value of investments comprises:

	2020 £	2019 £
Equity securities - UK	1,198,327	618,542
Equity securities - outside UK	1,123,204	740,875
Commodities - outside UK	163,119	135,078
	<u>2,484,650</u>	<u>1,494,495</u>

During the year the Company / Foundation recognised gains on current asset investments in relation to market value movements, including exchange rate movements, of £340,077 (2019: £1,618,707).

9. Creditors: Amounts falling due within one year

	2020 £	2019 £
Other creditors	7,280	40,750
Accruals and deferred income	210,000	118,000
	<u>217,280</u>	<u>158,750</u>

10. Cash at bank and in hand

Included within cash at bank and in hand are fiduciary placements totalling £nil (2019: £2,812,485) with maturity dates between January and December 2021 (2019: between January and December 2020), but cancellable on two days' notice and therefore deemed to be on demand deposits.

11. Statement of funds

Statement of funds - year ended 31 December 2020

	1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	31 December 2020 £
Unrestricted funds						
Income and expenditure reserve	5,667,282	87,670	(408,835)	(1,599,898)	1,419,172	5,165,391
Revaluation reserve	241,076	-	-	1,599,898	-	1,840,974
	<u>5,908,358</u>	<u>87,670</u>	<u>(408,835)</u>	<u>-</u>	<u>1,419,172</u>	<u>7,006,365</u>

Franks Family Foundation
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2020

11. Statement of funds (continued)

Statement of funds - year ended 31 December 2019

	1 January 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	31 December 2019 £
Unrestricted funds						
Income and expenditure reserve	4,301,901	44,284	(557,649)	303,914	1,574,832	5,667,282
Revaluation reserve	544,990	-	-	(303,914)	-	241,076
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Summary of funds - year ended 31 December 2020

	1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	31 December 2020 £
General funds	5,908,358	87,670	(408,835)	1,419,172	7,006,365
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Summary of funds - year ended 31 December 2019

	1 January 2019 £	Income £	Expenditure £	Gains/ (Losses) £	31 December 2019 £
General funds	4,846,891	44,284	(557,649)	1,574,832	5,908,358
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

12. Analysis of net assets between funds

Analysis of net assets between funds - year ended 31 December 2020

	Unrestricted funds 2020 £	Total funds 2020 £
Fixed asset investments	2,142,836	2,142,836
Current assets	5,530,809	5,530,809
Creditors due within one year	(217,280)	(217,280)
Provisions for liabilities and charges	(450,000)	(450,000)
	<u>7,006,365</u>	<u>7,006,365</u>

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2020

12. Analysis of net assets between funds (continued)

Analysis of net assets between funds - year ended 31 December 2019

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Fixed asset investments	773,158	773,158
Current assets	5,293,950	5,293,950
Creditors due within one year	(158,750)	(158,750)
	<u>5,908,358</u>	<u>5,908,358</u>

13. Reconciliation of net movement in funds to net cash flow from operating activities

	2020 £	2019 £
Net (expenditure)/income for the year	1,098,007	1,061,467
Adjustment for:		
Unrealised exchange rate gains	261,410	67,568
(Gains) on investments	(1,869,172)	(1,574,832)
Investment income	(87,670)	(44,284)
Increase in debtors	(147,293)	-
Increase in creditors	58,530	34,034
Increase in provisions	450,000	-
Net cash used in operating activities	<u>(236,188)</u>	<u>(456,047)</u>

14. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	2,876,941	986,970
Notice deposits (see note 10)	-	2,812,485
Total	<u>2,876,941</u>	<u>3,799,455</u>

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2020

15. Related party transactions

The Company / Foundation has accrued an amount of £92,000 (2019: £118,000) in respect of advertising costs charged to it during the year by Eighteen-24 Limited (2019: Redbus Outdoor Limited), a company under the control of a trustee. At 31 December 2020 the outstanding amount related to the charge included in accruals (see note 9) was £210,000 (2019: £118,000).

During the year ended 31 December 2019 an amount of £10,000 charged to the Company / Foundation for services provided by a trustee was borne by Redbus Ventures Limited ("RVL") (formerly Polygram Group Limited), a company under the control of a trustee. Accordingly, this amount has not been recognised as an expense in the Company / Foundation's records. No equivalent amount was charged in the year ended 31 December 2020.

During the year ended 31 December 2020, salary and pension costs of £41,189 (2019: £53,498) relating to employees engaged on the Company / Foundation's activities have been borne by RVL where required under the rules of the Charity Commission. Any future repayment of this amount to RVL is subject to permission from the Charity Commission; accordingly, this amount has not been recognised as an expense in the Company / Foundation's records.

In order to save costs RVL and the Company / Foundation share a payroll. Outstanding amounts under this arrangement are regularly reimbursed. An amount of £147,293 was owed by RVL at the balance sheet date (2019: £43,025 due to RVL).

Under an arrangement entered into when certain fixed asset investments were donated to the Foundation a proportion of the proceeds related to the future of realisation of those investments is due to be paid to RVL and Eighteen-24 Limited, once the proceeds are received by the Foundation. Based on the fair value of the investments at 31 December 2020 a provision of £450,000 (2019: £nil) has been recognised in these accounts to reflect this obligation. An amount of £450,000 (2019: £nil) was charged as an expense to the Statement of Financial Activities during the year.