

Registered number: 05834838
Charity number: 1114574

FRANKS FAMILY FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

FRANKS FAMILY FOUNDATION
(A Company Limited by Guarantee)

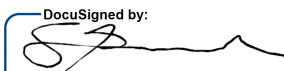
CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2023

We had a relatively quiet year at the foundation with no material changes to our existing programmes and no new projects initiated. All our programmes are running well.

One major staff addition of note is that Benedick Ashmore-Short has joined the team and will take on the role of Executive Director. Benedick is a distinguished leader in education, recognised globally for his exceptional contributions to the field. Benedick brings over 20 years of experience in the education sector, with a proven track record of transforming schools and leading positive outcomes for students, staff, and communities. Benedick holds a PCGE and a BA (Hons) graduate in Economics and was the UK's Head Teacher of the Year in 2014.

Turning to our investment activities. It was also a quiet year and there was no material change to our financial situation. Our balance sheet (page 12) remains circa £8m with no debt. This gives me and the board confidence that we will be able to fund all our programmes and initiatives for the foreseeable future.

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, I would like to thank all of the direct and indirect employees of the foundation, whose commitment and efforts we value so much and without whom we would not be able to do the work we do.

DocuSigned by:

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Simon Franks

Chairman

30 September 2024

FRANKS FAMILY FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees present their annual report together with the audited financial statements of the Company for the year 1 January 2023 to 31 December 2023. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable 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 (FRS102) (effective 1 January 2019).

Since the Company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

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.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

The main strategy of FFF is to form partnerships with local institutions to address the root cause of poverty, of all kinds, in developing southeast Asia. In some cases, where no local partner with the required technical ability exists, the Foundation will itself directly implement a programme alone.

We believe that fostering a dynamic civil society is one of the most important ways philanthropic organizations can engender real, systemic and progressive change in the world's poorest countries.

We work to achieve this by developing and supporting partnership projects in southeast Asia, which provide some of the region's poorest children with the educational, healthcare and pastoral support required to maximise their full potential.

To finance the activities of the Foundation, the Foundation makes investments in listed and unlisted securities, and allocates funds to Venture Capital and private equity opportunities. This is done in partnership with Redbus Ventures Ltd.

FRANKS FAMILY FOUNDATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Objectives and activities (continued)**c. Activities undertaken to achieve objectives**

Our primary area of focus is southeast Asia. Whether it is through our New Generation Schools or our public health programme, our teacher training or scholarships programmes, we aim to equip young people to become change makers. We implement programmes ourselves, but also provide programme partners with grants, loans, strategic advice, business management support, collaborative networks and advocacy to foster systemic change.

d. Main activities undertaken to further the Company's purposes for the public benefit

In Laos, we are working with the Lao Ministry of Education & Sports to expand the New Generation Schools (NGS) programme into Laos. The aim is to replicate the substantial achievements of NGS in Cambodia, transforming educational outcomes through improved teaching, school governance and key subjects for the 21st century. NGSL aspires to drive key changes in governance, recruitment, management and teacher training, optimization of existing resources and improvement of schools' facilities. One of its goals is to enable children from poor backgrounds, girls and the disabled to access a quality education, free of corruption or abuse through a fair admission process. The FFF is both the funder and implementer of the New Generation programme in Laos.

In Cambodia, we are partnered with Kampuchean Action for Primary Education (KAPE) to build, develop and scale a New Generation School. This is the leading educational project in Cambodia and is now uniquely supported financially by the Cambodian government. The basic premise of NGS schools is to work with the government, within the existing education system, to develop academically excellent schools that are available to children from any socio-economic background.

Achievements and performance**a. Main achievements of the Company**

A review of the Company's activities is included in the Chairman's Statement on page 2. During the period ended 31 December 2023 a total of £137,591 (2022: £173,773) was granted to charitable organisations. Further details of the donations made are included in note 5 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 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. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

FRANKS FAMILY FOUNDATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Financial review (continued)

b. Reserves policy

FFF's funding is dependent on donations from the Franks Family and their business interests. The organisation does not have substantial reserves tied to fixed assets. Revaluation reserves are not considered to be realised.

At 31 December 2023 general reserves, excluding revaluation reserves, were £4,524,213 (2022: £4,812,845) due to the accumulation of funds during the period.

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 listed companies and continues to actively manage its foreign exchange positions.

Structure, governance and management

a. Constitution

Franks Family 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:

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

b. Methods 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. Financial 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.

FRANKS FAMILY FOUNDATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company 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 Company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Trustees 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.

Disclosure of information to auditor

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

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

Auditor

The auditor, Blick Rothenberg Audit LLP, has indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on and signed on their behalf by:

DocuSigned by:

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S E Franks
 Trustee
 30 September 2024

FRANKS FAMILY FOUNDATION
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INDEPENDENT AUDITOR'S 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 2023 which comprise the Statement of Financial Activities, the Balance Sheet, 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 2023 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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.

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' 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 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 Trustees' 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.

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

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. 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 misstatements 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 misstatements 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 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 noncompliance 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 misstatements 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.

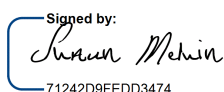
FRANKS FAMILY FOUNDATION
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FRANKS FAMILY FOUNDATION
(CONTINUED)

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 Auditor's 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 Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:


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Shaun Melvin (Senior Statutory Auditor)

for and on behalf of

Blick Rothenberg Audit LLP

Chartered Accountants

Statutory Auditor

16 Great Queen Street

Covent Garden

London

WC2B 5AH

30 September 2024

FRANKS FAMILY FOUNDATION
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STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2023

| | Note | Unrestricted Funds 2023 £ | Total Funds 2023 £ | Total funds 2022 £ |
|---|------|------------------------------------|--------------------------|--------------------------|
| Income from: | | | | |
| Donations and legacies | | - | - | - |
| Investment income | 3 | 158,762 | 158,762 | 71,826 |
| Total Income | | 158,762 | 158,762 | 71,826 |
| Expenditure on: | | | | |
| Charitable activities: | 4 | | | |
| Grants paid | | 137,591 | 137,591 | 173,773 |
| Exchange rate losses/(gains) | | 130,988 | 130,988 | (131,652) |
| Governance / Programme costs | | 178,815 | 178,815 | 235,523 |
| Total expenditure | | 447,394 | 447,394 | 277,644 |
| Net expenditure before net gains on investments | | (288,632) | (288,632) | (205,818) |
| Net (losses)/gains on investments | | (261,634) | (261,634) | 819,454 |
| Net movement in funds before other recognised (losses)/gains | | (550,266) | (550,266) | 613,636 |
| Other recognised gains/(losses): | | | | |
| Provision against investment gains | | - | - | (304,240) |
| Net movement in funds | | (550,266) | (550,266) | 309,396 |
| Reconciliation of funds: | | | | |
| Total funds brought forward | | 8,221,047 | 8,221,047 | 7,911,651 |
| Net movement in funds | | (550,266) | (550,266) | 309,396 |
| Total funds carried forward | | 7,670,781 | 7,670,781 | 8,221,047 |

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 13 to 21 form part of these financial statements.

FRANKS FAMILY FOUNDATION
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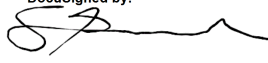
BALANCE SHEET
AS AT 31 DECEMBER 2023

| | Note | 2023 £ | 2022 £ |
|--|------|------------------|------------------|
| Fixed assets | | | |
| Tangible assets | 10 | 18,490 | 16,200 |
| Investments | 11 | 4,805,019 | 5,060,888 |
| | | 4,823,509 | 5,077,088 |
| Current assets | | | |
| Investments | 12 | 2,286,383 | 2,364,247 |
| Cash at bank and in hand | | 1,404,871 | 1,664,824 |
| | | 3,691,254 | 4,029,071 |
| Creditors: amounts falling due within one year | 14 | (46,404) | (87,534) |
| Net current assets | | 3,644,850 | 3,941,537 |
| Total assets less current liabilities | | 8,468,359 | 9,018,625 |
| Provisions for liabilities | | (797,578) | (797,578) |
| Total net assets | | 7,670,781 | 8,221,047 |
| Charity funds | | | |
| Restricted funds | | - | - |
| Unrestricted funds | 16 | | |
| General funds | | 4,524,213 | 4,812,845 |
| Revaluation reserve | | 3,146,568 | 3,408,202 |
| Total unrestricted funds | | 7,670,781 | 8,221,047 |
| Total funds | | 7,670,781 | 8,221,047 |

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies' regime.

The financial statements were approved and authorised for issue by the Trustees on 30 September 2024 and signed on their behalf by:

DocuSigned by:

798EC1C7969B435...
S E Franks
Trustee

The notes on pages 13 to 21 form part of these financial statements.

FRANKS FAMILY FOUNDATION
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. General information

Franks Family Foundation is a company limited by guarantee, incorporated in England & Wales, with its registered office at 34 Percy Street, London, W1T 2DG.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements 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), 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.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. Management does not consider there are any key accounting estimates or assumptions made that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Management is also required to exercise judgment in applying the company's accounting policies. Due to the straightforward nature of the business, management considers that no critical judgments have been made in applying the company's accounting policies.

2.2 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably. Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

FRANKS FAMILY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)

2.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.5 Foreign currencies

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

2.6 Taxation

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable, and the cost or value of the asset can be measured reliably. Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

| | | |
|------------------------|---|--------------------------------------|
| Computer equipment | - | 25% per annum on straight line basis |
| Furniture and fittings | - | 20% per annum on straight line basis |

FRANKS FAMILY FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

2. Accounting policies (continued)**2.8 Investments**

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 the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities. 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.

2.9 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.

2.10 Financial instruments

The Company 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.11 Cash at bank and in hand

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

2.12 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.13 Pensions

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

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2. Accounting policies (continued)

2.14 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 and which have not been designated for other purposes.

Investment income, gains and losses are allocated to the appropriate fund.

2.15 Cash Flow

The Company is exempt from the requirement to provide a Cash Flow reconciliation under the small charities' regime.

3. Investment income

| | Unrestricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|--|--|-----------------------------------|-----------------------------------|
| Dividends receivable | 60,932 | 60,932 | 50,325 |
| Interest receivable/(payable) on cash holdings | 32,507 | 32,507 | (1,757) |
| Other investment income | 65,323 | 65,323 | <u>23,258</u> |
| | <u>158,762</u> | <u>158,762</u> | <u>71,826</u> |

4. Analysis of expenditure on charitable activities

Summary by fund type

| | Unrestricted funds 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|---|--|-----------------------------------|-----------------------------------|
| Governance and foreign exchange costs | 254,105 | 254,105 | 69,880 |
| Contractor fees, donations and all travel costs | 193,289 | 193,289 | 207,764 |
| | <u>447,394</u> | <u>447,394</u> | <u>277,644</u> |

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5. Analysis of expenditure by activities

| | Activities undertaken directly 2023 £ | Support costs 2023 £ | Total funds 2023 £ | Total funds 2022 £ |
|---------------------------------------|---|-------------------------------|--------------------------|--------------------------|
| Governance and foreign exchange costs | 123,117 | 130,988 | 254,105 | 69,880 |
| Donations to institutions | 193,289 | - | 193,289 | 207,764 |
| | <u>316,406</u> | <u>130,988</u> | <u>447,394</u> | <u>277,644</u> |

All the Company / Foundation's donations are made for charitable purposes.

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 18) which is then provided free of charge to other charitable institutions. Costs incurred were £25,000 (2022: £60,000).

6. Governance costs

| | 2023 £ | 2022 £ |
|--|-----------------------|----------------|
| Staff costs | 90,359 | 146,206 |
| Consultancy, legal and professional fees | 3,706 | 17,651 |
| Auditors' remuneration | 9,600 | 9,600 |
| Bank charges | 5,643 | 7,498 |
| Other operating costs | 13,809 | 19,598 |
| | <u>123,117</u> | <u>200,553</u> |

7. Auditors' remuneration

| | 2023 £ | 2022 £ |
|--|--------------|-----------|
| Fees payable to the Company's auditor for the audit of the Company's annual accounts | 9,600 | 9,600 |

8. Staff costs

| | 2023 £ | 2022 £ |
|--|----------------------|----------------|
| Salary costs included within Governance costs | | |
| Wages and salaries | 76,246 | 127,064 |
| Social security costs | 6,224 | 13,488 |
| Contribution to defined contribution pension schemes | 2,182 | 4,704 |
| Temporary staff costs | 5,707 | 950 |
| | <u>90,359</u> | <u>146,206</u> |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

8. Staff costs (continued)

The average number of persons employed by the Company during the year was as follows:

| | 2023 | 2022 |
|-----------|-------------|------|
| Employees | 3 | 3 |

No employee received remuneration amounting to more than £60,000 in either year.

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 December 2023, expenses totalling £11,066 were reimbursed to Trustees (2022 - £5,459) in relation to travel, accommodation and other general matters.

10. Tangible fixed assets

| | Fixtures and fittings £ | Computer equipment £ | Total £ |
|-----------------------|--|-------------------------------------|--------------------|
| Cost | | | |
| At 1 January 2023 | 16,200 | 1,958 | 18,158 |
| Additions | - | 2,609 | 2,609 |
| At 31 December 2023 | 16,200 | 4,567 | 20,767 |
| Depreciation | | | |
| At 1 January 2023 | - | 1,958 | 1,958 |
| Charge for the year | - | 319 | 319 |
| At 31 December 2023 | - | 2,277 | 2,277 |
| Net book value | | | |
| At 31 December 2023 | 16,200 | 2,290 | 18,490 |
| At 31 December 2022 | 16,200 | - | 16,200 |

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11. Fixed asset investments

| | Unlisted Investments £ |
|--------------------------|---------------------------------------|
| Cost or Valuation | |
| At 1 January 2023 | 5,060,888 |
| Additions | 23,072 |
| Revaluations | <u>(278,941)</u> |
| At 31 December 2023 | <u>4,805,019</u> |
| Net book value | |
| At 31 December 2023 | <u>4,805,019</u> |
| At 31 December 2022 | <u>5,060,888</u> |

Fixed asset investments are valued at fair value. The basis for determining the fair value of Funds and Unlisted shares is the latest share price (if available) or historical cost.

12. Current asset investments

| | 2023 £ | 2022 £ |
|----------------|-------------------|-------------------|
| At 31 December | <u>2,286,383</u> | <u>2,364,247</u> |

The historic cost of investments was £2,283,406 (2022: £2,283,406).

During the year the Company/Foundation recognised losses on current asset investments in relation to market value movements, including exchange rate movements, of £77,865 (2022: Gains of £323,072).

| | 2023 £ | 2022 £ |
|--|-------------------|-------------------|
| Book value of current asset investments | | |
| Equity Securities – UK | 1,218,178 | 1,263,909 |
| Equity Securities – Non-UK | 880,734 | 924,045 |
| Commodities – Non-UK | 187,471 | 176,293 |
| | <u>2,286,383</u> | <u>2,364,247</u> |

13. Financial instruments

| | 2023 £ | 2022 £ |
|--|-------------------|-------------------|
| Financial assets | | |
| Financial assets measured at fair value through income and expenditure | <u>8,496,273</u> | <u>9,089,959</u> |

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NOTES TO THE FINANCIAL STATEMENTS
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14. Creditors: Amounts falling due within one year

| | 2023 | 2022 |
|------------------------------------|---------------|--------|
| | £ | £ |
| Trade creditors | 25,037 | 60,898 |
| Other taxation and social security | 1,910 | 7,193 |
| Other creditors | 257 | 3,443 |
| Accruals and deferred income | 19,200 | 16,000 |
| | 46,404 | 87,534 |

15. Provisions

| | £ |
|-------------------------|----------------|
| At 1 January 2023 | 797,578 |
| Additions / (Disposals) | - |
| At 31 December 2023 | 797,578 |

16. Statement of Unrestricted funds

| Statement of funds Current year | Balance at 1 January 2023 £ | Income £ | Expenditure £ | Transfers in / out £ | Gains / (Losses) £ | Balance at 31 December 2023 £ |
|------------------------------------|--------------------------------------|----------------|------------------|----------------------------|--------------------------|--|
| Unrestricted funds | | | | | | |
| Reserves | 4,812,845 | 158,762 | (447,393) | 261,634 | (261,634) | 4,524,213 |
| Revaluation reserve | 3,408,202 | - | - | (261,634) | - | 3,146,568 |
| | 8,221,047 | 158,762 | (447,394) | - | (261,634) | 7,670,781 |

| Statement of funds Prior year | Balance at 1 January 2022 £ | Income £ | Expenditure £ | Transfers in / out £ | Gains / (Losses) £ | Balance at 31 December 2022 £ |
|----------------------------------|--------------------------------------|---------------|------------------|----------------------------|--------------------------|--|
| Unrestricted funds | | | | | | |
| Reserves | 5,019,949 | 71,826 | (277,644) | (516,500) | 515,214 | 4,812,845 |
| Revaluation reserve | 2,891,702 | - | - | 516,500 | - | 3,408,202 |
| | 7,911,651 | 71,826 | (277,644) | - | 515,214 | 8,221,047 |

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NOTES TO THE FINANCIAL STATEMENTS
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17. Analysis of net assets between funds

| | Unrestricted funds 2023 £ | Total funds 2023 £ |
|--|--|---------------------------------------|
| Tangible fixed assets | 18,490 | 18,490 |
| Fixed asset investments | 4,805,019 | 4,805,019 |
| Current assets | 3,691,254 | 3,691,254 |
| Creditors due within one year | (46,404) | (46,404) |
| Provisions for liabilities and charges | (797,578) | (797,578) |
| Total | <u>7,670,781</u> | <u>7,670,781</u> |
| | Unrestricted funds 2022 £ | Total funds 2022 £ |
| Tangible fixed assets | 16,200 | 16,200 |
| Fixed asset investments | 5,060,888 | 5,060,888 |
| Current assets | 4,029,071 | 4,029,071 |
| Creditors due within one year | (87,534) | (87,534) |
| Provisions for liabilities and charges | (797,578) | (797,578) |
| Total | <u>8,221,047</u> | <u>8,221,047</u> |

18. Related party transactions

The Company incurred an amount of £25,000 (2022: £60,000) in respect of advertising costs charged to it during the year by Eighteen-24 Limited, a company under the control of a trustee. At 31 December 2023 the outstanding amount related to the charge included in creditors (see note 14) was £25,000 (2022: £60,000).

To save costs, Redbus Ventures Limited ("RVL"), a company under the control of a trustee, and the Company share payroll costs. Outstanding amounts under this arrangement are regularly reimbursed.

Under an arrangement entered 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. Based on the fair value of the investments at 31 December 2023 a provision of £797,578 (2022: £797,578) has been recognised in these accounts to reflect this obligation. An amount of £Nil (2022: £304,240) was charged as an expense to the Statement of Financial Activities during the year.