



**FATFACE**  
FOUNDATION

*Changing people's lives wherever FatFace goes*

UNAUDITED REPORT AND FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31<sup>st</sup> May 2021

Charity Number 1129392

Company Number 06815924 (England and Wales)

## Contents

Legal and Administrative Information	3
Director's Report	4
Aims and Objectives	4
Activities during the period	5
Financial Review	5
Reserves policy	5
Plans for Future Periods	6
Structure, Governance, and Management	6
Restricted Funds	6
Directors and Trustees	6
Responsibilities of the Directors	7
Independent Examiner	8
Independent Examiner's Report to the Trustees	9
Respective responsibilities of trustees and examiner	9
Basis of independent examiner's report	9
Independent examiner's statement	9
Statement of Financial Activities	10
Balance Sheet	11
Notes	13
1. Accounting Policies	13
2. Critical Accounting Estimates & Judgements	14
3. Income Resources	14
4. Total Resources expended	15
5. Employee and Trustee expenses	15
6. Taxation	16
7. Debtors	16
8. Analysis of net assets between Funds	17
9. Movement in Funds	18

## **Legal and Administrative Information**

Charity name:	Fat Face Foundation
Charity registration number:	1129392
Company registration number:	06815924 (England and Wales)
Registered office and address:	Unit 3 Ridgway Havant Hampshire PO9 1QJ
Directors and Trustees:	Ian Williams (Chairman) William Crumbie Nicola Amos Elizabeth Evans Laura Praeger Jodie Higgins
Secretary	Clare Batson
Independent examiner:	Chris Lowry Chamberlains Elm House Tanshire Park Shackleford Road Elstead, Godalming GU8 6LB

## **Director's Report**

The Trustees, who are also directors of the charity for the purposes of the Companies Act, present their report along with the financial statements of the charity for the period ended 31<sup>st</sup> May 2021. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard 102 ('FRS102').

## **Aims and Objectives**

The Trustees are committed to the mission of "Changing people's lives wherever FatFace goes".

Whilst the Foundation was originally formed by FatFace Limited, which has been the principal donor to the Foundation, there is now a formal agreement in place (submitted to the Charities Commission) which ensures that the relationship between the two entities is clear and that the Trustees have the ultimate say in how the Foundation pursues its objectives. This agreement is updated and resented to the Charities Commission on an annual basis.

The Foundation's aims and objectives are not determined by FatFace Limited in any way. The Trustees monitor all activities of the Foundation to ensure that they are compatible with the aims of the Foundation.

### **What we are all about**

The FatFace Foundation is a registered charity set up in 2009 to make a positive and enduring difference to the lives of people in communities where FatFace sources, manufactures, retails and distributes its products.

We pride ourselves in enabling FatFace partners, chosen local charities, suppliers, customers and crew to make a difference whilst often achieving lifetime ambitions that make a long term difference.

### **Our Purpose**

To raise money and distribute grants that will change people's lives wherever FatFace goes. Engaging FatFace local communities, chosen charity partners, crew and customers alike by providing them with the chance to get actively involved and make a real difference to people around us and in our communities.

### **Public Benefit**

The Trustees have referred to the guidance of the Charity Commission's general guidance on public benefit when reviewing aims and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. In the Trustees' opinion, the activities of the charity benefit the wider community through the support provided to other causes charities involved in health and wellbeing, environmental issues and support for disadvantaged young people.



## **Activities during the period**

Like most charities, the Covid-19 pandemic has continued to impact the Charity in the year.

The Foundation has continued to build on its strategy and has set some firm goals for achievement. The headline is that we will support causes and charities that fall under three headings of health and wellbeing, life below water and life on land, with specific objectives including to feed and clothe as many people as we can within our FatFace communities, provide access to work to young people whom otherwise could be disadvantaged and get more young people off the streets.

The Foundation has supported a number of charities in the year which have included:

### National Forest

As part of Life on Land, the Foundation is partnering with the National Forest, to support the great work being undertaken to transform swathes of the Midlands landscape back to Forest. A great partnership with a £100,000 of donation during the year.

### Fresh Face

Fresh Face continued its partnership with the Foundation and Hampshire Cricket in the community, to support education within schools across Hampshire, Berkshire and Dorset. This entrepreneurial programme works within the education system to provide over 200 students from 10 schools first-hand experience of end-to-end product development, from design to shop floor.

### Prince's Trust

The FatFace Foundation also continued their partnership with the Prince's Trust. For the 6th year, we supported the Tomorrow's Talent programme; an active opportunity for young people to develop themselves through residential weeks, designing accessories to be sold through [www.fatface.com](http://www.fatface.com) and across the store estate.

## **Financial Review**

It should be noted that this period has remained positive in terms of the generation of funds. The Foundation is less and less reliant on funds being directly sourced from FatFace Limited but the two parties are utilising the FatFace stores as a vessel to showcase the Foundation product as well as the Foundation working in partnership with FatFace Limited to make better use of terminal stock that can ultimately make a lasting difference to many.

We are delighted that Foundation shop continues to trade well and is now supporting key local causes.

## **Reserves policy**

It is the policy of the Trustees to maintain sufficient reserves to meet the liabilities of the charity as they fall due, including expenditure committed for or on behalf of our charity partners. Income of £232,126 and resources expended of £379,465 for the period, compared to £558,248 income and £296,801 expended from the previous period, have resulted in net assets decreasing from £474,737 to £329,010 for the current period. £6,782 is held as restricted, for distribution to Welsh and Scottish Charities from bag levy income. £322,227 is held unrestricted

and will be used for general charitable purposes and applied to those purposes as soon as is reasonably possible in accordance with the charity's governing document.

## **Plans for Future Periods**

Working with our partners we will continue to focus on:

- 1) Health and wellbeing
- 2) Life below water
- 3) Life on land

## **Structure, Governance, and Management**

The organisation is a charitable company limited by guarantee, incorporated on 11 February 2009 and registered as a charity on 5 May 2009. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

The Directors of the company are also charity trustees for the purposes of charity law. Trustees remain on the Board of Directors until their appointment is terminated in accordance with the Articles. There is no time limit on how long a Trustee may remain on the Board nor is there a requirement for re-election.

All of the Trustees give their time voluntarily and received no benefits from the charity. It is intended to broaden the existing membership by including other individuals with shared objectives and complementary skills to the existing Board.

The Board convened four times during the period.

## **Restricted Funds**

Restricted Funds relate to donations from FatFace Limited, or elsewhere, arising from the sale of designated products associated with named charities or otherwise restricted as to the applications to which they can be applied.

Under the Single Use Carrier Bags Charge (Wales) Regulations 2010, and Carrier Bag Charge (Scotland) Regulations 2014, all retailers in Wales and Scotland offering single use carrier bags must charge customers at least five pence per bag, and this money must be directed to registered charities within the regulated country.

## **Directors and Trustees**

The directors during the period under review were

- Ian Williams (Chairman)
- Nicola Amos
- Elizabeth Evans
- William Crumbie
- Laura Praeger



## **Responsibilities of the Directors**

The Trustees (the majority of whom are also Directors of FatFace 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 period which 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 judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records that 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 for taking reasonable steps on the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware that:

- there is no relevant information of which the charitable company's independent examiner is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant information and to establish that the independent examiner is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the reparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **Independent Examiner**

Chris Lowry of Chamberlains has expressed his willingness to remain as Independent Examiner for this Unaudited Report and Financial Statements.

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

By order of the Board



Will Crumbie

Director

Dated: 3<sup>rd</sup> September 2021



## **Independent Examiner's Report to the Trustees**

I report to the charity's Trustees on my examination of the accounts of the company for the period ended 31 May 2021.

### **Respective responsibilities of trustees and examiner**

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

### **Basis of independent examiner's report**

I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

### **Independent examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination (other than that disclosed below \*) which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

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



Chris Lowry  
Chamberlains  
Elm House, Tanshire Park  
Shackleford Road, Elstead  
Godalming, GU8 6LB

Dated: 3<sup>rd</sup> September 2021

Statement of Financial Activities

**(including Income and Expenditure Account)**

**For the period ended 31 May 2021**

	Notes	Unrestricted Funds 2020	Restricted Funds 2021	Total Funds 2021	Total Funds 2020
		£	£	£	£
<b>Incoming Resources</b>					
Incoming resources from:					
Charitable activities	3	221,439	-	221,438	553,078
Donations	3	10,687	1,612	12,299	5,170
		-----	-----	-----	-----
		<b>232,126</b>	<b>1,612</b>	<b>233,738</b>	<b>558,248</b>
		-----	-----	-----	-----
<b>Resources Expended</b>					
Charitable activities	4	209,025	-	209,025	116,773
Costs of generating voluntary income	4	170,440	-	170,440	180,028
		-----	-----	-----	-----
Total resources expended		379,465	-	379,465	296,801
		-----	-----	-----	-----
<b>Net Movement in Funds</b>		(147,339)	1,612	(145,727)	261,447
Total funds brought forward		469,567	5,170	474,737	213,290
		-----	-----	-----	-----
<b>Total funds carried forward</b>		<b>322,228</b>	<b>6,782</b>	<b>329,010</b>	<b>474,737</b>
		-----	-----	-----	-----

The statement of financial activities includes all gains and losses in the period. All incoming resources and resources expended derive from continuing activities.

## Balance Sheet

As at 31 May 2021

**Company number 06815924**

	Notes	2021 £	2020 £
<b>Fixed Assets</b>	7	17,078	25,135
<b>Current Assets</b>			
Stock		205,069	295,864
Debtors	8	67,950	70,562
Cash at bank		78,112	99,926
		-----	-----
		351,132	466,352
		-----	-----
 <b>Creditors: Amounts falling due within one year</b>			
Trade Creditors		(23,960)	(15,000)
Accrued expenses		(15,239)	(1,750)
		-----	-----
		(39,199)	(16,750)
		-----	-----
<b>Net Assets</b>	9	329,010	474,737
		-----	-----
Unrestricted funds			
General funds	10	322,228	469,567
Restricted funds	10	6,782	5,170
		-----	-----
<b>Total funds</b>		329,010	474,737
		-----	-----

For the financial period ended 31 May 2021 the company was entitled to exemption from audit under section 477 Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act.

The notes on pages 14 to 19 form part of these financial statements.

Approved by the Board for issue on 3<sup>rd</sup> September 2021.



William Crumbie

Director

Dated: 3<sup>rd</sup> September 2021



## Notes

Forming part of the financial statements of FatFace Foundation, a company limited by guarantee in England and Wales; registered office address Unit 3 Ridgway, Havant, Hampshire, PO9 1QJ.

### 1. Accounting Policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the period.

#### (a) Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard 102.

#### (b) Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity. Restricted funds are subjected to restrictions on their expenditure imposed by the donor, through the terms of an appeal, or through legislation.

#### (c) Revenue Recognition

All incoming resources are included in the Statement of Financial Activities when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy.

Voluntary income is received by way of donations and gifts and is included in the Statement of Financial Activities when receivable. Donated services have not been included since these cannot be quantified. The value of services provided by volunteers has not been included in these accounts.

Incoming Resources from other trading activities relates to sales from the Foundation shop in Havant, Hampshire.

#### (d) Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes irrecoverable VAT which is reported as part of the expenditure to which it relates.

Costs of generating voluntary income reflects the expenses incurred by the Charity in raising funds. Charitable activities are grants made to partner charities. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity, such as the fees paid to the independent examiner.

#### (e) Tangible Fixed Assets

Fixed assets relate to the fixture & fittings of the Foundation Shop and are depreciated on a straight line 3 year or 5 year basis.

#### (f) Current assets and liabilities

All current assets and liabilities are stated at the settlement amount after any discounts given.

## 2. Critical Accounting Estimates & Judgements

No significant accounting judgements and estimates have had to be made by the directors in preparing these financial statements.

## 3. Incoming Resources

Incoming resources from charitable activities relate to the sale of goods donated to the charity. No cost is attributed to these donated goods. These goods are sold through the Foundation's shop in Havant. Donations received in respect of restricted funds relate to the sale of carrier bags by FatFace Limited shops in Wales and Scotland.

Incoming resources for the year to 31 May 2021 were as follows:

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
Charitable activities	221,4396	-	221,439
Donations	10,6879	1,612	12,299
	-----	-----	-----
	232,126	1,612	233,738
	-----	-----	-----

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
Charitable activities	553,078	-	553,078
Donations	4,078	1,092	5,170
	-----	-----	-----
	557,156	1,092	558,248
	-----	-----	-----

#### 4. Total Resources expended

	Unrestricted Funds 2021	Restricted Funds 2021	Total Funds 2021
	£	£	£
Costs of fundraising	166,404	-	166,404
Support costs	-	-	-
Governance	4,036	-	4,036
Charitable activities (donations made)	209,025	-	209,025
	-----	-----	-----
	379,465	-	379,465
	-----	-----	-----

	Unrestricted Funds 2020	Restricted Funds 2020	Total Funds 2020
	£	£	£
Cost of fundraising	171,822	-	171,822
Support costs	-	-	-
Governance	8,206	-	8,206
Charitable activities (donations made)	116,773	-	116,773
	-----	-----	-----
	296,801	-	296,801
	-----	-----	-----

Included in governance costs are fees for the independent examination of £1,750 (2020: £1,750).

#### 5. Employee and Trustee expenses

The Charity had no employees during the period. Workers within the Foundation shop are employed by FatFace Limited with costs being recharged.

No Trustees received any remuneration during the period. There were no expenses reimbursed to Trustees.

No Trustee or other person related to the Charity had any personal interest in any contract or transaction entered into by the Charity during the period.

## 6. Taxation

The Charity is exempt from tax on income falling within s505 of the Income and Corporation Taxes Act 1988. No tax charges have therefore arisen in the Charity.

## 7. Fixed assets

	2021
	£
Cost at 31 May 2021	33,214
	-----
Depreciation at 1 June 2020	13,428
Charge for the year	8,057
Depreciation at 31 May 2021	-----
	21,485
	-----
Net book value at 31 May 2021	17,077
	-----
Net book value at 31 May 2020	25,134
	-----

## 8. Debtors

	2021	2020
	£	£
FatFace Ltd	1,612	4,224
Uncleared Bank Receipts	-	-
VAT	66,338	66,338
	-----	-----
	67,950	70,562
	-----	-----



## 9. Analysis of net assets between Funds

	General Funds	Restricted Funds	Total Funds
	2021	2021	2021
	£	£	£
Fixed Assets	17,078		17,078
Stock	205,069		205,069
Debtors	66,338	1,612	67,950
Cash	72,942	5,170	78,112
Accrued expenses	(15,239)		(15,239)
Trade Creditors	(23,960)		(23,960)
	-----	-----	-----
	322,228	6,782	329,010
	-----	-----	-----

	General Funds	Restricted Funds	Total Funds
	2020	2020	2020
	£	£	£
Fixed Assets	25,135	-	25,135
Stock	295,864	-	295,864
Debtors	66,338	4,224	70,562
Cash	98,980	946	99,926
Accrued expenses	(1,750)	-	(1,750)
Trade Creditors	(15,000)	-	(15,000)
	-----	-----	-----
	469,567	5,170	474,737
	-----	-----	-----

## 10. Movement in Funds

	At 1 Jun 2020	Incoming resources	Outgoing resources	At 31 May 2021
	£	£	£	£
<i>Restricted Funds</i>				
Sales of Carrier bags - Wales	4,123	597	-	4,720
Sales of Carrier bags - Scotland	1,047	1,015	-	2,062
	-----	-----	-----	-----
	5,170	1,612	-	6,782
	-----	-----	-----	-----
Unrestricted Funds	469,567	232,126	(379,465)	322,227
	-----	-----	-----	-----
Total Funds	474,737	233,738	(379,465)	329,010
	-----	-----	-----	-----
	At 1 Jun 2019	Incoming resources	Outgoing resources	At 31 May 2020
	£	£	£	£
<i>Restricted Funds</i>				
Sales of Carrier bags - Wales	3,760	363	-	4,123
Sales of Carrier bags - Scotland	318	729	-	1,047
	-----	-----	-----	-----
	4,078	1,092	-	5,170
	-----	-----	-----	-----
Unrestricted Funds	209,212	557,156	(296,801)	469,567
	-----	-----	-----	-----
Total Funds	213,290	558,248	(296,801)	474,737
	-----	-----	-----	-----

## 11. Going concern

The financial statements have been prepared on a going concern basis after taking into account the current risks relating to COVID-19 as the Trustees have determined that there is no material uncertainty that casts doubt on the entity's ability to continue as a going concern.