



FATFACE
FOUNDATION

Changing people's lives wherever FatFace goes

UNAUDITED REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31st May 2022

Charity Number 1129392

Company Number 06815924 (England and Wales)

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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 William Crumbie Nicola Amos (Chairperson) Matthew Prosser (appointed 1 st December 2021) Robert Blackwood (appointed 1 st December 2021) Laura Praeger Jodie Higgins Christine Wood Uwins (appointed 1 st December 2021)
Secretary	Clare Batson (resigned 1 st December 2021) Rebecca Robbins (appointed 1 st December 2021, resigned 15 th April 2022) Charlie-Rose Humphrey (appointed 15 th April 2022)
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 31st May 2022. 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 resent to the Charities Commission on an annual basis.

The Foundation is currently seeking CIO status and expects to achieve this in the coming financial year.

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 Fat Face 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. The Foundation strategy is to support our key pillars, Life in the Community, Life on Land and Life at Sea. Since 2009 we've raised over £1 million for good causes and will continue to raise money to support charities, people and projects within each of our pillars.

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

This year the Foundation has continued to rebound from the Covid-19 pandemic. Trading activities and donations are now back at levels from pre-pandemic times. The Foundation transitioned to a new shop location during the year and closed the original shop, for a period of time trading both sites.

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 life in the community, 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 the Life on Land pillar, the Foundation is partnering with the National Forest Company on an exciting project contributing towards our sustainability milestones. The National Forest Company is a charity established in 1995 to create a new forest, one of the country's most ambitious and imaginative regeneration projects, embracing 200 square miles of mixed habitat forest in the Midlands. A great partnership with a £50,000 of donation during the year.

The partnership sees Fat Face joining forces with the National Forest Company to acquire a piece of land in the heart of the Forest where 57,000 trees have already been planted and a further 3000 will be planted later in the year. This marks the start of a 75-year project in our goal of off-setting 10,000 units of carbon over time. The trees will expand on existing neighbouring woodland and will form a new site of interest in the National Forest, eventually maturing into an area of woodland that will provide an outdoor space for the local community to enjoy.

Red Cross for Ukraine

In the initial phases of the Ukraine/ Russian conflict, the Foundation was keen to support the humanitarian crisis that was developing in the region. It did so through the Red Cross efforts with a £30k donation.

Prince's Trust

The Fat Face Foundation has supported the Prince's Trust since 2015 and has donated thousands of pounds over the years. For the 6th year running, Fat Face has also offered a helping hand through the Tomorrow's Talent initiative which helps develop the creative talent of tomorrow's young designers. Styles include printed scarves, bags and tees. We have been involved in this amazing programme on several occasions over the years and each time we are so excited to showcase the brilliant designs of the winners. Not only that but a percentage of sales from these products go back into the Prince's Trust to help further their great work.

Financial Review

It should be noted that this period has generated significant funds through the Foundation shop and the Foundation no longer reliant on funds being directly sourced from FatFace Limited but

the two parties are utilising the terminal stock as a vessel to support the Foundation shop and ultimately generate funds for good causes.

We are delighted that Foundation shop continues to trade well and is now supporting fundraising to execute the strategy

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 £649,944 and resources expended of £635,732 for the period, compared to £233,738 income and £379,465 expended from the previous period, have resulted in net assets increasing from £329,010 to £342,952 for the current period. £7,354 is held as restricted, for distribution to Welsh and Scottish Charities from bag levy income. £335,598 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) Life in the Community
- 2) Life below water
- 3) Life on land

Structure, Governance, and Management

During the Year, the organisation was 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.

The Board convened four times during the period.

It is expected that the Foundation will become a CIO during the next financial year.

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
- William Crumbie
- Nicola Amos (Chairperson)
- Matthew Prosser (appointed 1st December 2021)
- Robert Blackwood (appointed 1st December 2021)
- Laura Praeger
- Jodie Higgins
- Christine Wood Uwins (appointed 1st December 2021)

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



Matthew Prosser

Director

Dated: 21st December 2022

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 2022.

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: 21st December 2022

**Statement of Financial Activities
(including Income and Expenditure Account)
For the period ended 31 May 2022**

	Notes	Unrestricted Funds 2022	Restricted Funds 2022	Total Funds 2022	Total Funds 2021
		£	£	£	£
Incoming Resources					
Incoming resources from:					
Charitable activities	3	632,774	-	632,774	221,439
Donations	3	16,598	572	17,170	12,299
		-----	-----	-----	-----
		649,372	572	649,944	233,738
		-----	-----	-----	-----
Resources Expended					
Charitable activities	4	230,185	-	230,185	209,025
Costs of generating voluntary income	4	405,547	-	405,547	170,440
		-----	-----	-----	-----
Total resources expended		635,732	-	635,732	379,465
		-----	-----	-----	-----
Net Movement in Funds		13,640	572	14,212	(145,727)
Total funds brought forward		322,228	6,782	329,010	474,737
		-----	-----	-----	-----
Total funds carried forward		335,868	7,354	343,222	329,010
		-----	-----	-----	-----

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 2022

Company number 06815924

	Notes	2022 £	2021 £
Fixed Assets	7	10,465	17,078
Current Assets			
Stock		-	205,069
Debtors	8	66,910	67,950
Cash at bank		327,336	78,112
		-----	-----
		394,246	351,131
		-----	-----
Creditors: Amounts falling due within one year			
Creditors		(30,957)	(23,960)
Accrued expenses		(30,532)	(15,239)
		-----	-----
		(61,489)	(39,199)
		-----	-----
Net Assets	9	343,222	329,010
		-----	-----
Unrestricted funds			
General funds	10	335,868	322,228
Restricted funds	10	7,354	6,782
		-----	-----
Total funds		343,222	329,010
		-----	-----

For the financial period ended 31 May 2022 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 **21st December 2022.**



Matthew Prosser

Director

Dated: 21st December 2022

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 2022 were as follows:

	Unrestricted Funds 2022	Restricted Funds 2022	Total Funds 2022
	£	£	£
Charitable activities	632,774	0	632,774
Donations	16,598	572	17,170
	-----	-----	-----
	649,372	572	649,944
	-----	-----	-----

	<i>Unrestricted Funds 2021</i>	<i>Restricted Funds 2021</i>	<i>Total Funds 2021</i>
	<i>£</i>	<i>£</i>	<i>£</i>
<i>Charitable activities</i>	<i>221,439</i>	<i>0</i>	<i>221,439</i>
<i>Donations</i>	<i>10,687</i>	<i>1,612</i>	<i>12,299</i>
	-----	-----	-----
	<i>232,126</i>	<i>1,612</i>	<i>233,738</i>
	-----	-----	-----

4. Total Resources expended

	Unrestricted Funds 2022	Restricted Funds 2022	Total Funds 2022
	£	£	£
Costs of fundraising	398,968	0	398,968
Support costs	0	0	0
Governance	6,578	0	6,578
Charitable activities (donations made)	230,185	0	230,185
	-----	-----	-----
	635,731	0	635,731
	-----	-----	-----

	<i>Unrestricted Funds 2021</i>	<i>Restricted Funds 2021</i>	<i>Total Funds 2021</i>
	£	£	£
<i>Cost of fundraising</i>	<i>170,440</i>	<i>-</i>	<i>170,440</i>
<i>Support costs</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Governance</i>	<i>4,036</i>	<i>-</i>	<i>4,036</i>
<i>Charitable activities (donations made)</i>	<i>204,989</i>	<i>-</i>	<i>204,989</i>
	-----	-----	-----
	<i>379,465</i>	<i>0</i>	<i>379,465</i>
	-----	-----	-----

Included in governance costs are fees for the independent examination of £1,350 (2021: £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

	2022
	£
Cost at 31 May 2022	39,722

Depreciation at 1 June 2021	21,485
Charge for the year	7,772

Depreciation at 31 May 2022	29,257

Net book value at 31 May 2022	10,465

Net book value at 31 May 2021	17,077

8. Debtors

	2022	2021
	£	£
FatFace Ltd	572	1,612
Uncleared Bank Receipts	-	-
VAT	66,338	66,338
	-----	-----
	66,910	67,950
	-----	-----

9. Analysis of net assets between Funds

	General Funds	Restricted Funds	Total Funds
	2022	2022	2022
	£	£	£
Fixed Assets	10,465	-	10,465
Stock	-	-	-
Debtors	66,338	572	66,910
Cash	320,554	6,782	327,336
Accrued expenses	(30,532)	-	(30,532)
Trade Creditors	(30,957)	-	(30,957)
	-----	-----	-----
	335,868	7,354	343,222
	-----	-----	-----

	<i>General Funds</i>	<i>Restricted Funds</i>	<i>Total Funds</i>
	<i>2021</i>	<i>2021</i>	<i>2021</i>
	<i>£</i>	<i>£</i>	<i>£</i>
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
	-----	-----	-----

10. Movement in Funds

	At 1 Jun 2021	Incoming resources	Outgoing resources	At 31 May 2022
	£	£	£	£
<i>Restricted Funds</i>				
Sales of Carrier bags - Wales	4,720	209	-	4,929
Sales of Carrier bags - Scotland	2,062	363	-	2,425
	-----	-----	-----	-----
	6,782	572	-	7,354
	-----	-----	-----	-----
Unrestricted Funds	322,228	649,372	(635,732)	335,868
	-----	-----	-----	-----
Total Funds	329,010	649,944	(635,732)	342,222
	-----	-----	-----	-----
	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)	322,228
	-----	-----	-----	-----
Total Funds	474,737	233,738	(379,465)	329,010
	-----	-----	-----	-----

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.