

CHARITY COMMISSION

Charity Registration No. 1144584

Company Registration No. 07525263 (England and Wales)

QUINTESENTIALLY FOUNDATION

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

tc accounts • tax • legal • financial planning

10 Bridge Street
Christchurch
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QUINTESENTIALLY FOUNDATION

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QUINTESSENTIALLY FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr R Brooks Mr A G Crawley Mr P C Crowther Mr B W Elliot Mr S G Lee Miss E R McCarthy
Chief executive officer	Mr D Meredith
Charity number	1144584
Company number	07525263
Principal address	29 Portland Place London W1B 1QB
Registered office	29 Portland Place London W1B 1QB
Auditor	TC Group 10 Bridge Street Christchurch Dorset BH23 1EF
Bankers	Coutts 440 Strand London WC2R 0QS

QUINTESSENTIALLY FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016)

"Thanks to Quintessentially Foundation's support, The Childhood Trust has transformed the lives of thousands of London's most vulnerable and disadvantaged children by funding the provision of a wide range of practical and emotional support across every borough of London." - Laurence Guinness, Chief Executive, The Childhood Trust"

"We are phenomenally grateful to the Quintessentially Foundation and the incredible energy and fundraising powers of all the individuals involved. 24,000 parents with dependent children die in the UK each year, and each year within the UK, 41,000 children under the age of eighteen are bereaved of a parent. The support of the Quintessentially Foundation will help us to support many more families facing one of their toughest tests. Huge thanks to you all." - Alex Cullen, Head of Fundraising, The Ruth Strauss Foundation "

The Covid-19 Pandemic was an unparalleled situation that has only demonstrated the crucial role of smaller grassroots charities to deliver vital support to hard-to-reach communities and families. Demand on community-based services has been higher than ever while funders are being asked by charities for more and more support.

Despite the backdrop of a challenging year in 2021, this remains an exciting time for Quintessentially Foundation.

The organisation continued to deliver on its core mission to support people living in disadvantaged communities. The grants awarded in 2021 to The Childhood Trust, Spring Community Hub, Grief Encounter, The Ruth Strauss Foundation and The Felix Project enabled Quintessentially Foundation to provide support and services to over 500,000 people and families in London and across the UK.

The Firefly Project

Quintessentially Foundation continues to deliver vital funding and support to its charity partners in line with its mission. During the year the Foundation reviewed its strategic direction to ensure that its charitable giving had sharper focus and be as meaningful as possible.

After a wide-ranging consultation with stakeholders and advisers the Foundation elected to concentrate its efforts on supporting impactful grassroots charities that are working with children and young people. In the first instance the focus would be on London. Named The Firefly Project, this new initiative from the Foundation will find, fund and support emerging and impactful charities and turbo-charge their growth until they reach the point of self-sustainability. This mission will build on the Foundation's experience and success with The Felix Project.

The first cohort of three charities were selected in March 2022 and we have awarded grants totaling £150,000 to these organisations. The Foundation has since awarded £100,000 to a second cohort of two charities. We are grateful to Greenwood Place for their support in searching and assessing candidate charities.

QUINTESSENTIALLY FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

The selected Firefly Project charities to date are:

20/20 Change (www.2020change.org)

Doorstep Library (www.doorsteplibrary.org.uk)

Little Village (www.littlevillagehq.org)

Team Up (www.teamup.org.uk)

The Kids Network (www.thekidsnetwork.org.uk)

The Patrons' programme

In tandem with the new strategic direction of its grant-making model, the Foundation continues to review, develop and build out its fundraising strategy. Up until this moment the Foundation raised money for charities primarily through its well-established and very successful events program. Covid-19 seriously impaired our capacity to arrange events. To that end in 2021 the Foundation launched a Patrons Program. This is the Foundation's first major effort to approach the personal giving and major donor community. Core to this is allowing donors (patrons) to support our selected Firefly charities which the donors would not easily be able to access by themselves. It further affords the patrons the opportunity to engage directly with these grassroots, life-changing charities. Equally the patrons represent a reservoir of talent, experience, opportunity and resources for the Firefly partner charities.

In 2021, the Patrons' programme raised a total of £200,000 to Quintessentially Foundation. At the time of writing, all Patrons who were due to renew have renewed, with a new Patron welcomed into the Patrons' programme. As we develop and expand The Firefly Project, we hope that we will be able to engage more Patrons as we look to nurture a culture of philanthropy.

Events

Our events programme continues to deliver strong outcomes for the organisation, both in terms of fundraising and also in terms of participation. Despite the significant risks posed to the 2021 events by Covid-19, we managed to meet pre-pandemic levels of engagement with 50 riders joining the QF Bike Ride 2021 and over 500 guests attending the Fayre of St James's 2021. The QF Bike Ride 2022 saw further increases to participants with 57 cyclists joining the event. At the same time, we initiated a series of mission-focused events using virtual and in-person platforms which engaged over 100 people and from which we will enhance our existing events programme to ensure that we can highlight the work that our partner charities are doing on the ground.

The QF Bike Ride

Between Wednesday 8th September and Sunday 12th September 2021, 50 cyclists took part in Quintessentially Foundation's Twelfth Bike Ride from Carlisle to the Cotswolds in partnership with Velusso and in aid of Grief Encounter, the Ruth Strauss Foundation and the Quintessentially Foundation's own grassroots funding programme.

The cyclists took on the challenge of cycling over 500kms in four days from Carlisle through to the Lake District, Yorkshire Dales, Peak District and Cotswolds, ending at Daylesford. The team of hardy athletes were challenged with some tough cycling routes such as the Kirkstone Pass and Mam Tor.

The net income from the bike ride was £322,408 to support Quintessentially Foundation's charitable activities.

QUINTESSENTIALLY FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

The Fayre of St James

The Fayre of St. James's Christmas carol concert took place in the beautiful enclaves of St James's Church, Piccadilly, and was a magical evening of carols, readings, and live performances by the likes of Tom Grennan, Sam Ryder, Nicola Benedetti and Birdy, who all came together to support the work of The Childhood Trust and Quintessentially Foundation.

The Fayre of St James's has become one of London's most sought after carol concerts, bringing together over 500 guests while raising much needed funds for disadvantaged children and communities. Other artists and patrons who performed and supported this year include Ben Elliot, Emelia Fox, Robert Lindsay, David Morrissey, Tom Stoppard, Sabrina Guinness, Ben Miller, Harrison Knights and Harriet Walter.

In 2021, the Fayre of St James's raised net income of £220,745.

Mission-focused events

The Firefly Project also provides an opportunity for Quintessentially Foundation to enhance its mission-focused event strategy. To date, the success of the Foundation's engagement programme has centred on large fundraising events which leaves an opportunity for a series/range of events to be activated that are focused on the work of the Foundation and its charity partners. This new mission-focused event activity will include roundtables, speaking events, virtual panels and more to enable Quintessentially Foundation to reach and engage with as wide-ranging audience.

Grant making

Despite the impact of COVID-19, Quintessentially Foundation's total income was £1,059,605 in 2021. Of this, £716,780 was raised through fundraising events before costs and £342,825 through direct donations, gifts in kind and gift aid. From net funds raised, £290,980 was distributed by way of grants to our charities chosen for the year. Below is a summary of grants made to our partner charities during the year:

Grief Encounter £81,872

The Ruth Strauss Foundation £81,872

The Childhood Trust £114,911

The Felix Project £6,540

The Spring Community Hub £4,785

Other £1,000

Staff & volunteers

To support the new direction, Quintessentially Foundation has put in place a small team which provides the organisation with increased capacity going forwards. This includes hiring its first Chief Executive - David Meredith - in September 2021 alongside a Head of Events & Engagement and a Team Executive, which both went live at the start of 2022. The Foundation also engages with a small number of volunteers at its events to support with fundraising activities. The individuals are given training for each relevant activity.

QUINTESSENTIALLY FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Financial review

As shown in more detail in the audited financial statements, direct charitable income for the year amounted to £1,059,605, compared to £690,991 in the prior year. Total expenditure on raising funds increased in line with expectation, given the increase in income, from £92,643 to £317,518.

The charity's balance sheet at the end of 2021 had improved significantly from £256 to £420,471 as a result of the increase in income from fundraising events and voluntary income, demonstrating the success of the Patrons programme.

Reserves policy and going concern

During 2021 the Foundation's reserves policy was reinstated having been waived in 2020 due to the Covid-19 crisis. The current reserves policy is to hold unrestricted funds at least equivalent to the sum of six months operating expenses. At the end of 2021, unrestricted funds were £420,271 and free reserves were £419,166, which is significantly in excess of the amount required by the reserves policy.

There were no restricted funds held at the end of 2021 with all restricted funds raised during the year distributed.

Public benefit

In undertaking the activities of the last twelve months, the Trustees have paid due regard to the Charity Commission's guidance on public benefit in deciding what activities should be undertaken. The trustees are confident that the mission of the Foundation, as set out in the strategy section above, meets the requirements for public benefit. Through adherence to the objectives and the activities undertaken in the year the Trustees have diligently and purposefully fulfilled their obligations under section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

Funds in deficit

The Trustees may make available unrestricted funds to cover any shortfall of income compared to expenditure from restricted funds.

Investment policy

There are no restrictions on the Charity's power to invest. The Trustees review at regular intervals the charities requirements and monitor the economic climate and revise the investment strategy accordingly. To this end, the Trustees have chosen to invest surplus funds in bank deposits.

Grant making policy

Once the funds have been raised throughout the year, grants are issued to institutions and individuals in line with the objectives of the charity. All beneficiaries are considered carefully by the board of Trustees in advance of events being held and funds being raised.

QUINTESSENTIALLY FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Structure, governance and management

The Quintessentially Foundation is constituted under its Memorandum and Articles dated 10 February 2011 and amended on 13 October 2011, is a registered charity no. 1144584 and registered as a charitable company limited by guarantee no. 07525263.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr R Brooks

Mr A G Crawley

Mr P C Crowther

Mr B W Elliot

Mr S G Lee

Miss E R McCarthy

Recruitment and appointment of trustees

The management of the charity is the responsibility of the Trustees who are elected under the terms of the Memorandum and Articles. Trustees each hold office for a minimum period of two years. The minimum number of Trustees is three. There is no formal policy for the recruitment of trustees. Depending on the needs of the foundation trustees are recruited by the Trustees according to their background and experience based upon the recommendation of the nominations committee.

Induction and training of new trustees

New Trustees are provided with the organisation's constitution, information on achievements, goals of the charity and are trained by the existing trustees on an informal basis.

Decision making and key management

The Trustees delegate the day-to-day management of the charity to a full-time employee who is overseen by the Founder trustee and the chair. This person has delegated authority for operational matters. The board meets at least three times a year to manage the affairs of the organisation. The trustees consider themselves to also be key management.

Key management remuneration

Key personnel are paid dependent on their expertise and involvement in the organisation of events. Key management remuneration is disclosed in note 11 to the financial statements. The trustees did not receive remuneration during the year. D Meredith is considered as key management from the date of appointment on 6th September 2021.

Related parties

Related party transactions have been disclosed in note 17 of the financial statements. Any potential related party transaction is submitted for approval by the trustees in advance. Declarations of interest are called for at each meeting of the board of trustees.

QUINTESSENTIALLY FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Fundraising Practice

Quintessentially Foundation acts in accordance to the guidelines outlined in the Code of Fundraising Practice and in line with new data protection guidelines and the highest professional conduct and standards when raising funds.

Historically, Quintessentially Foundation uses external contractors to support its fundraising events programme, specifically for the annual QF Bike Ride and the Fayre of St James's. This approach allows for expertise to be brought in for specific types of fundraising events while ensuring a cost-effective approach to raising money.

We make sure we protect vulnerable people with regards to fundraising activity, and staff and volunteers at our events are trained in this area of our work. We received no complaints about fundraising activity in the year ended 31 December 2021.

In 2021, investment was made to recruit a Chief Executive who also had fundraising experience to support the development of the Patrons' programme. The Board also approved budget for a Head of Events & Engagement and also a Team Executive to assist with fundraising activities, amongst other areas of work.

Risk management

The Board of Trustees consider and approves all policies adopted by the Charity, including aims and objectives, risk assessment, the annual budget and charitable strategies. The principal risks facing the charity are the termination of events as happened during Covid-19 and securing patrons' for the Patrons' Programme. The Trustees manage this risk by maintaining and strengthening current and possible relationships with potential patrons, ensuring its events are innovative and attractive to their target market and by continually seeking fresh audiences for its events. In addition, the charity is exposed to health and safety risks at events organised. To manage this risk appropriate insurance is obtained for each event. The Trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the charity and are satisfied that systems and procedures are in place to mitigate their exposure to those major risks.

QUINTESSENTIALLY FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Statement of trustees' responsibilities

The trustees, who are also the directors of Quintessentially Foundation for the purpose 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 which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

Auditor

TC Group were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.


.....
Mr R Brooks

Trustee

Dated: 27th September 2022

QUINTESSENTIALLY FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF QUINTESSENTIALLY FOUNDATION

Opinion

We have audited the financial statements of Quintessentially Foundation (the 'charitable company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Statement of Financial Position and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 2021 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

QUINTESENTIALLY FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF QUINTESENTIALLY FOUNDATION

Other information

The other information comprises the information included in the trustees 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report incorporating the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the 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 statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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.

QUINTESENTIALLY FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF QUINTESENTIALLY FOUNDATION

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. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the trustees and other management (as required by auditing standards), and discussed with the trustees and other management, the policies and procedures regarding compliance with laws and regulations;
- We focused on specific laws and regulations which we consider may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, the relevant tax compliance regulations in the UK, the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102) and Charity SORP;
- We considered the nature of the industry, the control environment, business performance and KPI's for a charitable company;
- We communicated identified laws and regulations within the audit team and remained alert to any indications of non-compliance throughout the audit. These include Health and Safety, employment law and adequate insurances, including those required to be taken by 3rd parties;
- We considered and reviewed the procedures and controls that the charitable company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those procedures and controls.

To address the risk of fraud through management bias and override of controls, we;

- a) performed analytical procedures to identify any unusual or unexpected variances.
- b) tested journal entries to identify unusual transactions.
- c) assessed whether judgement and assumptions made in determining the accounting estimates set out in financial statements were indicative of potential bias.
- d) investigated the rationale behind significant or unusual transactions.

QUINTESSENTIALLY FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF QUINTESSENTIALLY FOUNDATION

In response to the risk of irregularities and non-compliance with laws and regulations, we designed proceeds which included, but were not limited to;

- a) agreeing financial statement disclosure to underlying supporting documentation
- b) reading the minutes of meetings of those charged with governance
- c) enquiring of management as to actual and potential litigation and claims
- d) reviewing correspondence with HMRC, relevant regulator and the company's legal advisors as considered necessary.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

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



Lucy Filer FCA (Senior Statutory Auditor)
for and on behalf of TC Group

Statutory Auditor
Office: Christchurch

29 September 2022

QUINTESSENTIALLY FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
<u>Income from:</u>					
Donations and legacies	3	312,780	30,045	342,825	39,519
Other trading activities	4	269,035	447,745	716,780	651,472
Total income		581,815	477,790	1,059,605	690,991
<u>Expenditure on:</u>					
Raising funds	5	140,900	176,618	317,518	92,643
Charitable activities	6	20,955	301,117	322,072	654,347
Total resources expended		161,855	477,735	639,590	746,990
Net incoming/(outgoing) resources before transfers		419,960	55	420,015	(55,999)
Gross transfers between funds		55	(55)	-	-
Net income/(expenditure) for the year/ Net movement in funds		420,015	-	420,015	(55,999)
Fund balances at 1 January 2021		256	-	256	56,255
Fund balances at 31 December 2021		420,271	-	420,271	256

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.


QUINTESENTIALLY FOUNDATION

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	12		1,105		-
Current assets					
Debtors	13	15,717		189,278	
Cash at bank and in hand		568,492		173,175	
		<u>584,209</u>		<u>362,453</u>	
Creditors: amounts falling due within one year	14	(165,043)		(362,197)	
Net current assets			419,166		256
Total assets less current liabilities			<u>420,271</u>		<u>256</u>
Income funds					
Unrestricted funds			420,271		256
			<u>420,271</u>		<u>256</u>

The financial statements were approved by the Trustees on 27 September 2022



 Mr R Brooks
 Trustee

Company Registration No. 07525263

QUINTESSENTIALLY FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	18		396,974		(110,399)
Investing activities					
Purchase of tangible fixed assets		(1,657)		-	
Net cash used in investing activities			(1,657)		-
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			395,317		(110,399)
Cash and cash equivalents at beginning of year			173,175		283,574
Cash and cash equivalents at end of year			568,492		173,175

QUINTESSENTIALLY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

Quintessentially Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is 29 Portland Place, London, W1B 1QB.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation

QUINTESSENTIALLY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.5 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Expenditure on raising funds includes the costs of all fundraising activities, events and non-charitable trading activities.

Expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	3 years straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

QUINTESENTIALLY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

QUINTESENTIALLY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.12 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure for the period).

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The key assumptions and other sources of estimation uncertainty that have significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are as follows:

The company holds 50% (2020: 5-10%) of net funds back for charity use, from each event held. This is based on the income received excluding gift aid and direct costs of holding the event. As such after date costs need to be accounted for in relation to each event and the estimated donation due, accrued for at the year end.

The annual depreciation charge is considered with reference to the estimated useful economic lives and residual value of the assets. The useful economic lives and residual values are re-assessed annually.

There were no other key sources of estimation uncertainty or judgements.

QUINTESENTIALLY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2021	2021	2021	2020
	£	£	£	£
Donations and gifts	266,370	27,000	293,370	12,306
Donated goods and services	27,160	-	27,160	-
Gift aid	19,250	3,045	22,295	27,213
	<u>312,780</u>	<u>30,045</u>	<u>342,825</u>	<u>39,519</u>
For the year ended 31 December 2020	<u>12,306</u>	<u>27,213</u>		<u>39,519</u>

4 Other trading activities

	Unrestricted funds	Restricted funds	Total	Total
	2021	2021	2021	2020
	£	£	£	£
Fundraising events	<u>269,035</u>	<u>447,745</u>	<u>716,780</u>	<u>651,472</u>
For the year ended 31 December 2020	<u>25,596</u>	<u>625,876</u>		<u>651,472</u>

Refer to note 15

QUINTESSENTIALLY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

5 Raising funds

	Unrestricted funds	Restricted funds	Total	Total
	2021	2021	2021	2020
	£	£	£	£
<u>Trading costs</u>				
Other trading activities	236	176,618	176,854	27,013
Staff costs	100,534	-	100,534	61,360
Support costs	40,130	-	40,130	4,270
	<u>140,900</u>	<u>176,618</u>	<u>317,518</u>	<u>92,643</u>
	<u>140,900</u>	<u>176,618</u>	<u>317,518</u>	<u>92,643</u>
For the year ended 31 December 2020				
Trading costs	66,389	26,254		92,643
	<u>66,389</u>	<u>26,254</u>		<u>92,643</u>

Note 8 details support costs.

QUINTESENTIALLY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

6 Charitable activities

	Fundraising activities 2021 £	Total 2021 £	Fundraising activities 2020 £	Total 2020 £
Grant funding of activities (see note 7)	290,980	290,980	626,920	626,920
Share of governance costs (see note 8)	31,092	31,092	27,427	27,427
	<u>322,072</u>	<u>322,072</u>	<u>654,347</u>	<u>654,347</u>
Analysis by fund				
Unrestricted funds	20,955	20,955	27,512	27,512
Restricted funds	301,117	301,117	626,835	626,835
	<u>322,072</u>	<u>322,072</u>	<u>654,347</u>	<u>654,347</u>
For the year ended 31 December 2020				
Unrestricted funds	27,512			27,512
Restricted funds	626,835			626,835
	<u>654,347</u>			<u>654,347</u>

7 Grants payable

	Fundraising activities 2021 £	Fundraising activities 2020 £
Grants to institutions:		
Grief Encounter	81,872	-
Ruth Strauss Foundation	81,872	-
The Felix Project	6,540	423,539
The Childhood Trust	114,911	123,383
Other	5,785	-
British Asian Trust	-	79,998
	<u>290,980</u>	<u>626,920</u>

QUINTESSENTIALLY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

8 Support costs

	Support costs	Governance costs	2021	2020
	£	£	£	£
Depreciation	552	-	552	-
Donated equipment and office space	27,160	-	27,160	-
Bank charges	1,735	-	1,735	2,229
Insurance	1,340	-	1,340	842
Telephone	229	-	229	232
Postage and stationery	134	-	134	49
Sundries	416	-	416	610
Travel and subsistence	43	-	43	20
Marketing and HR	2,500	-	2,500	72
Just giving fees	604	-	604	216
Computer costs	5,417	-	5,417	-
Audit fees	-	5,500	5,500	5,394
Legal and professional	-	25,592	25,592	22,033
	<u>40,130</u>	<u>31,092</u>	<u>71,222</u>	<u>31,697</u>
Analysed between				
Trading	40,130	-	40,130	4,270
Charitable activities	-	31,092	31,092	27,427
	<u>40,130</u>	<u>31,092</u>	<u>71,222</u>	<u>31,697</u>

9 Net movement in funds

	2021	2020
	£	£
Net movement in funds is stated after charging/(crediting)		
Fees payable to the company's auditor for the audit of the company's financial statements	5,500	5,394
Depreciation of owned tangible fixed assets	552	-
	<u>5,500</u>	<u>5,394</u>

10 Trustees remuneration and benefits

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

Trustees expenses

During the year the charity did not reimburse any of the trustees for costs (2020: nil).

QUINTESSENTIALLY FOUNDATION**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2021****11 Employees****Number of employees**

The average monthly number of employees during the year was:

	2021	2020
	Number	Number
Events staff	1	1
Management	1	-
	<u>2</u>	<u>1</u>

Employment costs

	2021	2020
	£	£
Wages and salaries	91,905	55,000
Social security costs	5,338	4,711
Other pension costs	3,291	1,649
	<u>100,534</u>	<u>61,360</u>

Total remuneration of key management personnel during the year was £89,400 (2020: £59,711) and employers pensions £3,453 (2020: £1,649). Pension contributions were paid to 2 (2020: 1) staff under a defined contribution scheme. There were £4,937 (2020:£1,848) of accrued pension costs at the balance sheet date.

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

12 Tangible fixed assets

	Computers
	£
Cost	
Additions	1,657
At 31 December 2021	<u>1,657</u>
Depreciation and impairment	
Depreciation charged in the year	552
At 31 December 2021	<u>552</u>
Carrying amount	
At 31 December 2021	<u>1,105</u>

QUINTESENTIALLY FOUNDATION**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2021****13 Debtors**

	2021	2020
	£	£
Amounts falling due within one year:		
Other debtors	-	1,666
Prepayments and accrued income	15,717	187,612
	<u>15,717</u>	<u>189,278</u>

14 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	5,008	1,290
Other creditors	129,734	343,044
Accruals and deferred income	30,301	17,863
	<u>165,043</u>	<u>362,197</u>

Included in accrued expenses and deferred income is £21,600 (2020: £11,900) of income received in relation to events delayed due to government restrictions as a result of Covid-19.

QUINTESENTIALLY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Balance at
	Incoming resources	Resources expended	Transfers	31 December 2021
	£	£	£	£
Fayre of St James	210,217	(210,217)	-	-
Bike Ride	240,573	(240,518)	(55)	-
The Felix Project	12,500	(12,500)	-	-
The Childhood Trust	12,500	(12,500)	-	-
Other	2,000	(2,000)	-	-
	<u>477,790</u>	<u>(477,735)</u>	<u>(55)</u>	<u>-</u>

Restricted funds are raised by working with our partner charities on various fundraising events throughout the year as listed above. Each event is hosted with a specific partner charity and 50% of funds raised from that event, net of fundraising costs, are paid across to the partner charity. Fundraising event costs are included in note 5. The net surplus from these events, given out to charities as grants are included in note 7.

Unrestricted funds are raised through general donations and then allocated to charities as approved by the trustees.

Unrestricted funds include monies held back from events to cover staff and support costs.

16 Analysis of net assets between funds

	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £	Total 2020 £
Fund balances at 31 December 2021 are represented by:				
Tangible assets	1,105	-	1,105	-
Current assets/(liabilities)	419,166	-	419,166	256
	<u>420,271</u>	<u>-</u>	<u>420,271</u>	<u>256</u>

QUINTESENTIALLY FOUNDATION**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2021**

17 Related party transactions

Quintessentially (UK) Limited have provided facilities for rent and hire of equipment in the year of £27,160, at no charge. In the previous year, Quintessentially (UK) Limited processed the payroll on behalf of the Foundation, for no charge, and the Foundation's salary costs were recharged in full. Mr B W Elliot is a director and shareholder of Quintessentially (UK) Limited and Mr R Brooks is a shareholder. In the prior year Mr A T Simpson was a director and shareholder.

During the year the charity received donations of £82,460 from the Trustees.

18 Cash generated from operations	2021	2020
	£	£
Surplus/(deficit) for the year	420,015	(55,999)
Adjustments for:		
Depreciation and impairment of tangible fixed assets	552	-
Movements in working capital:		
Decrease/(increase) in debtors	173,561	(118,087)
(Decrease)/increase in creditors	(197,154)	63,687
Cash generated from/(absorbed by) operations	396,974	(110,399)
	<hr/>	<hr/>
19 Analysis of changes in net funds		
The charity had no debt during the year.		