

THE FELIX PROJECT

England & Wales · Charity number 1168183

Details

Status Registered

Legal form Charitable company

Company number [10068253](#)

Registered 2016-07-12

Register [View on the Charity Commission register](#)

Contact

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Website www.thefelixproject.org

Activities

Objects: The Charity's objects ('Objects') are specifically restricted to the following: to preserve and protect the environment and to relieve those in need by reason of youth, age, ill-health, disability, financial hardship or other social or economic disadvantage by the redistribution of surplus food and other surplus household items to relieve the above needs.

Activities: The Felix Project collects surplus food from all parts of the food supply chain and redistributes it to community organisations and schools that use the food for social good right across London. Most of the food would otherwise go to landfill or anaerobic digestion. In 2022 the charity delivered the equivalent of 29 million meals to over 1,000 organisations and worked with over 8,500 volunteers.

Classification

- **How:** Other Charitable Activities
- **What:** The Prevention Or Relief Of Poverty, Environment/conservation/heritage
- **Who:** Children/young People, Elderly/old People, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£15,872,870	£14,036,386	£12,723,474	202
2023-12-31	£12,880,736	£12,844,593	£10,886,990	167
2022-12-31	£7,634,848	£9,826,651	£10,850,848	143
2021-12-31	£8,323,584	£6,761,064	£12,846,652	93
2020-12-31	£12,360,190	£3,633,108	£11,284,130	39

Trustees

Name	Role	Appointed
Gavin John Darby	Chair	2020-04-28
Asi Panditharatna		2026-01-01
Catherine Helen Thorpe		2020-10-21
James Thomas Conybeare-Cross		2026-01-01
Simone Connolly		2026-01-01

THE FELIX PROJECT

England & Wales - Charity number 1168183

Accounts



THE
FELIX
PROJECT

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024



Charity Registration No. 1168183

Company Registration No. 10068253
(England and Wales)

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TRUSTEES' REPORT

(INCLUDING STRATEGIC REPORT AND DIRECTORS' REPORT)



FROM OUR CHAIRMAN

Reflecting on 2024



2024 was another challenging year for our community organisations and the people that they serve, resulting in an ever-growing demand on our services. At The Felix Project, we rose to this challenge and had another record-breaking year, distributing the equivalent of 38 million meals to over 1,200 community organisations and schools.

As a dual mission charity, we are focused on both our social and environmental impact. In 2024, the amount of embedded greenhouse gases in the food we rescued was over 21,000 tonnes of CO₂e. This embedded impact equates to greenhouse gases created in growing the food that would have been needlessly generated if we had not rescued the food. We also measure our avoided impacts, which are the greenhouse gases that would be produced if the food went to waste and continue to strive to reduce the carbon footprint of our operations.

2024 saw us open Felix's Multibank, expanding our operations to non-food, further supporting those most in need and during our first year we re-distributed almost 1.5 million non-food items.

We were honoured to receive a visit from His Majesty the King in November 2024 who opened our new South London depot and Coronation Food Hub, as part of our partnership with the Coronation Food Project. This new hub is transforming our ability to save and circulate more surplus food and includes a freezer with 400% increased capacity compared to the previous depot.

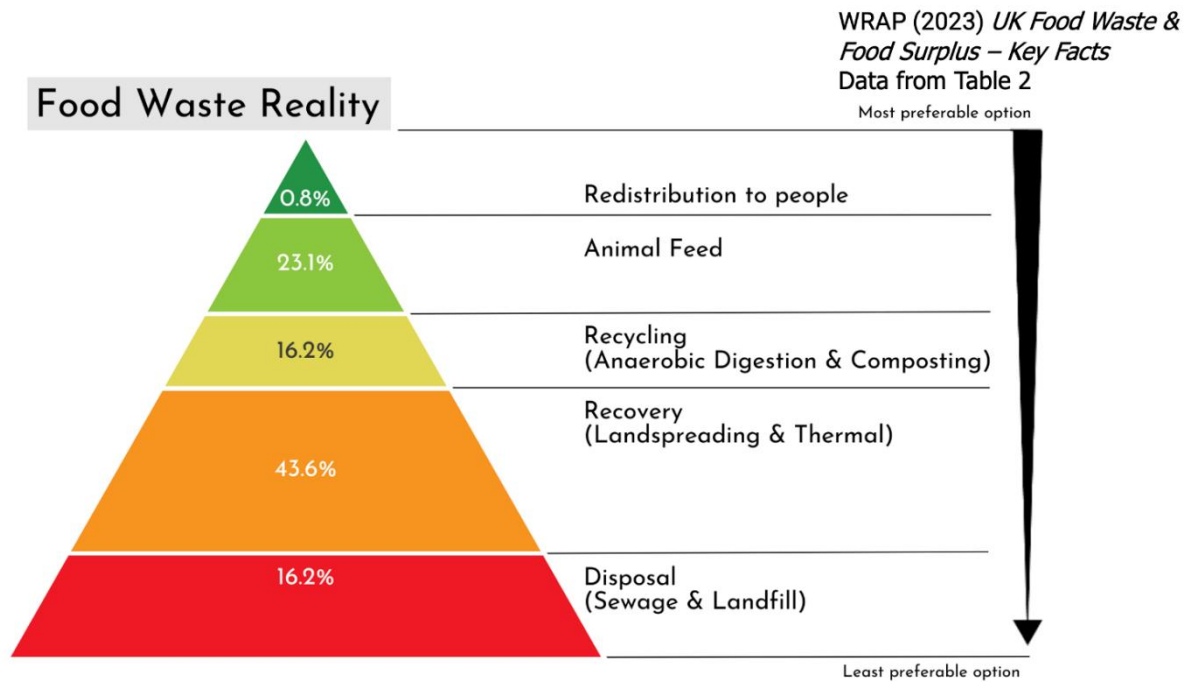
Our income continues to grow, and we are incredibly grateful to all our donors who support our work and partner with us.

It is an honour to present this report and financial statements for the year ended 31 December 2024 on behalf of the Board of Trustees.

Gavin Darby
Chair of Trustees

The External Context

Food Waste: It is estimated that 10.7 million tonnes of food were wasted in the UK in 2021, 40% of which originates from within the food supply chain. This makes little sense from a resource perspective and is a travesty for our planet - when food goes to landfill the potent greenhouses that are newly created are fuelling climate change. According to The Waste and Resources Action Programme (WRAP), the redistribution of food to people is one of the most preferable solutions in the prevention of food waste.



Food Insecurity: 2024 has been another year of economic uncertainty, with the cost-of-living continuing to impact the communities The Felix Project serves, compounded by food inflation which remains a concern. Research we conducted in August 2024 tells us that 1 in 4 working London families regularly struggle to afford to feed their children. In addition, 56% of those surveyed said they had to turn to a food support service, such as a food bank, in the last year to help them feed their families. 13% of this 56% said they were using a service once a week to feed their families. We also found that 1 in 7 have less than £3 a day for food after paying their bills. In 2024, the newly incoming Labour Government have announced that they will develop both a new Food Strategy and a Circular Economy Strategy which will both provide an opportunity for us to influence policy direction very relevant to our work.

What We Do

Our vision: A London where good food is never wasted, and no one goes hungry.

Our mission: 'To rescue good food from becoming waste and divert it to people most in need.

The Felix Project is London's largest food redistribution charity. Started in 2016, our vision is a London where good food is never wasted, and no one goes hungry. We aim to reduce the negative impact that food waste has on the environment by working with over 300 suppliers from across the food industry, including supermarkets, wholesalers, farms and restaurants. We rescue high quality surplus produce, that cannot be sold and would otherwise go to waste. This food is sorted at one of our four depots in North, South (also called the Coronation Food Hub), East and West London or sent to Felix's Kitchen, which uses surplus food to cook around 5,000 nutritious meals every day.

Felix provides food to organisations, such as food banks, homeless shelters and primary schools, reaching over 1,200 organisations every year. These incredible places work within communities across London to feed people who are experiencing hunger and cannot afford to regularly buy the food they need.

Felix's Kitchen: Felix's Kitchen enables us to rescue more food, specifically food that arrives with a short shelf life which cannot be sent out in time for community organisations to use. All our meals are sent out fresh from the kitchen, meaning most can be frozen by the recipients, further extending their shelf life. Felix meals are sent out across our network, feeding thousands of people, including those who may not have access to cooking equipment or who have limited skills and confidence with cooking.

Felix's Green Scheme: Felix's Green Scheme is a simple food collection and delivery service. Felix volunteers collect surplus food directly from supermarkets, cafes, restaurants and delicatessens and then deliver it straight to Felix's local community organisations who are working hard to feed those experiencing hunger. There are multiple environmentally friendly schemes across Central London, with volunteers completing pre-determined routes on foot, bicycle or using one of Felix's electric vans.

Felix Connect: Felix Connect was launched in 2024 and is a digital platform that connects one-off food donations directly with community organisations. The automated service solves the issue of small, immediate, ad hoc or quirky food donations, which are at risk of being thrown away, by getting them to organisations feeding people in need. Since launch, Felix Connect has rescued over 2.6 tonnes of food.

Felix's Multibank: Felix's Multibank is the London expansion of the Multibank network, which was co-founded by former UK Prime Minister Gordon Brown, and Amazon. The Felix Project launched London's first Multibank and started operating in early 2024. Felix's Multibank enables us to rescue surplus non-food items, such as toiletries, cleaning products, clothing and toys and give them to our community organisations. Providing non-food items further supports Felix's aim to help those who are struggling to get by.

Our Strategic Objectives

Our last strategy period ran to the end of 2024. Our strategic objectives during this period were:

- Sustainable growth of impact, brand, community, and influence.
- Secure dependable and adequate resources including surplus food, income, volunteers, advocates, and supporters.
- Optimise processes, policies, and practices (embedding brilliant basics)
- Reach communities most in need with balanced, nutritious food.
- Measure and track impact as well as outputs.
- Innovate for maximum efficiency and effectiveness

Our Impact in 2024

Food Supply: In 2024 The Felix Project rescued nearly 16,000 tonnes of surplus food worth £63 million from going to waste. That is the equivalent of 38 million meals and is the largest amount of food we have redistributed per year to date. Almost 50% of the food we redistributed was fruit and vegetables. We have maintained these high levels of supply using existing and new channels, constantly evolving, and innovating both through new partnerships and with existing ones.

Community Reach: During 2024 we continued to see increased demand for our services. We worked with 1,264 community organisations and schools during the year (vs 1,119 in 2023). All were asking for more food and our waitlist remained consistently over 600 (including 270 schools), peaking at over 700 in the latter part of the year. We have continued to evolve our services as we learn more about the communities our food reaches. We have also developed partnerships that enable us to offer more than just food to the community organisations and schools we support. We have further developed our use of technology to support our understanding and effectiveness.

Felix's Kitchen: 2024 was a year of incredible growth for Felix's Kitchen. Our priority was to try and increase output in response to the growing demand for our meals as people struggled to afford the energy bills to cook from scratch using raw ingredients. This resulted in us producing over one million meals (total number of 1,267, 849) - a 14% increase on 2023. This is the equivalent of over two nutritious & delicious Felix Meals being eaten every minute of every day of the year.

Multibank: Since launching in 2024, Felix's Multibank has supplied almost 1.5 million non-food items, reaching an estimated 95,000 individuals and families each week across London.

Environmental Impact: In 2024 we developed a new methodology for understanding and reporting on our environmental impact, adding value to our suppliers, funders and community organisations. In 2024, the amount of embedded emissions in the food we rescued was over

21,000 tonnes of CO₂e¹. This embedded impact equates to greenhouse gases created in growing the food that would have been needlessly generated if we had not rescued the food. In addition to this are avoided impacts, the greenhouse gases that would be produced if the food went to waste; in 2024, this was almost 2,300 tonnes of CO₂e.

Volunteering: We continue to be incredibly grateful for the huge contribution of our volunteers. Last year 13,398 Felix volunteers gave over 146,000 hours to support our work delivering huge impact. In our 2024 annual Volunteer Survey, Felix volunteers reported a satisfaction rating of 4.5 out of 5 when asked about their volunteering experience.

Staff: We saw a steady increase in staffing during 2024, enabling us to invest in resources and support the delivery of our operations and organisational objectives. At the end of the year, we had 218 staff (compared to 179 in 2023). We continue to celebrate our achievement as a recognised accredited London Living Wage (LLW) employer, in line with our equity, diversity, inclusion & belonging (EDIB) strategic objectives.

Employability: In 2024 we launched our Employability Programmes across our warehouses and in Felix's Kitchen, supporting the development of key practical and employability skills. We had 28 participants across five programmes throughout the year, helping people into work and providing training accreditation.

Our Impact Capabilities: In 2024 we established a small Impact, Evaluation and Reporting team, enabling us to improve accuracy and consistency in impact data, as well as to develop oversight of the impact of all Felix activity. The Theory of Change, last reviewed in 2023, is being updated in line with our operations and new 2025-29 strategy and will be launched in 2025.

Our Fundraising & Marketing

In 2024 we raised £15,872,870 - an exceptional achievement in a highly challenging market where so many charities are in desperate need. We are extremely grateful to our partners and donors who have invested in our work.

The charity has received outstanding support from: Morgan Stanley, Ocado, Hilton Foundation, The Caring Family Foundation, National Lottery, Audemars Piguet, Bloomberg, the Garfield Weston Foundation, Muslim Aid, The Church of Jesus Christ of Latter-day Saints, Islamic Relief Fund, The Caerlow Trust, The Pears Family Foundation, The Childhood Trust and the Hyde Charitable Trust.

In partnership with the Mayor's Fund for London, we were awarded £2 million by the Greater London Authority as part of a wider investment of £3.1 million to help deliver around 7 million meals to children from low-income families, helping parents and carers feed their children during the school holidays.

¹ This figure is different to what was published in the 2024 Impact Report following additional data collection in February 2025

Our focus has been to establish strategic partnerships; helping businesses, funders, and individuals to meet their organisational and personal goals for social and environmental impact. It is important for the charity to grow long term sustainable income streams. In 2024, we launched several strategies to increase the number of regular supporters, including the use of face-to-face fundraisers, and we are planning to continue this work in 2025. We also plan to launch a legacy marketing campaign to encourage planned giving.

With growth in staff resources and campaigns, we have ensured thorough due diligence in contracts and compliance with the fundraising codes of practice. We are registered with the Fundraising Regulator. We have refreshed our gift acceptance and refusal policy. During 2024 we received a handful of complaints, typically related to challenge event queries.

Our brand and marketing strategy focused on elevating our brand awareness, investing in talented new staff to build understanding of our purpose and mission, and establishing motivating need to give food, funds and volunteer time.

It is with thanks to The Evening Standard, Wharf Life, Landsec, JC Decaux UK Community Channel, Pearl and Dean, The Maverick Group and Premier Comms that we have been able to increase our prompted brand awareness from 16% to 17% and consideration to give from 64% to 66% through supporting our brand and fundraising campaigns.

FROM OUR CHIEF EXECUTIVE

Looking ahead



It feels like each year when we reflect on the previous year, there has been some sort of crisis that has impacted on vulnerable Londoner's ability to put food on the table – and 2024 was no different with the real impact of the cost-of-living crisis being felt by so many and food inflation continuing to hit. On top of that, we have seen uncertain global times impact on our economy and the decisions made across government are hitting the voluntary sector, as they are every others. As we look to 2025 and beyond, we must remain hopeful that things might get easier for both the community organisations we support with food, who are seeing a real pinch in terms of increased costs alongside increased demand, as well as the communities they support.

Both National and London elections took place in 2024, with a Labour Mayor and Labour Government working alongside each other following votes cast. The incoming Labour government have made food security and zero waste priorities, so we have an opportunity with the new Felix Policy Unit to drive change and influence at a structural level. At the age of 9 years old, the Felix Project is building a body of evidence and a voice that we believe we can start to use to drive impact in ways beyond the redistribution of surplus food alone, and the impact on DEFRA committing £15m to explore farmgate surplus redistribution that we drove will be a test of that.

In 2024, we moved depots in South London, and with the support of His Majesty the King, opened our South London Coronation Food Hub. As we look ahead to 2025 this hub will expand to include The Felix Food Factory which will allow us to accept more surplus gluts from the farmgate and turn them into things such as soups and sauces with longer life.

In 2025, as we look forward, we will be moving from our site in Park Royal, where we will have co-located with Ocado for 2 years, to a new site in Acton where we will combine food and non-food redistribution with Felix's Multibank on one site.

Environmental sustainability and our commitment to equity, diversity, inclusion and belonging will remain core foundations of our work, and we are delighted to have embedded the Felix values across our work:

- We solve it differently
- We make it happen
- We do it together
- We do it with heart

We continue to look at innovative solutions to rescue more surplus and deliver to community organisations, support individuals - especially the vulnerable, and those that are having to choose between heating or eating. Our determination and resolve to redistribute as much surplus food as possible to community organisations across London remains, as does our vision of a London where no one goes hungry and good food is never wasted.

Charlotte Hill
Chief Executive

FINANCIAL REVIEW

These financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, 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), effective 1 January 2019'.

Income in 2024 was £15.9m (2023: £12.9m). Expenditure was £14.0m (2023: £12.8m), resulting in a surplus of £1.8m (2023: £36k) and a net asset value of £12.7m (2023: £10.9m). Our surplus incorporates our ambitious investment plans to deliver on our strategic goals to 2030 and ensure we can continue operating all our activities across London by covering our financial commitments.

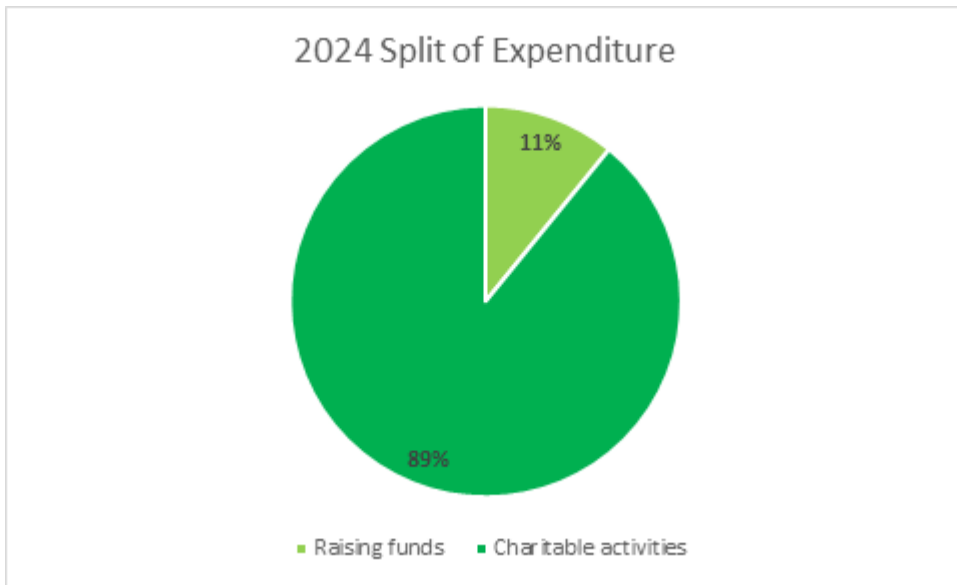
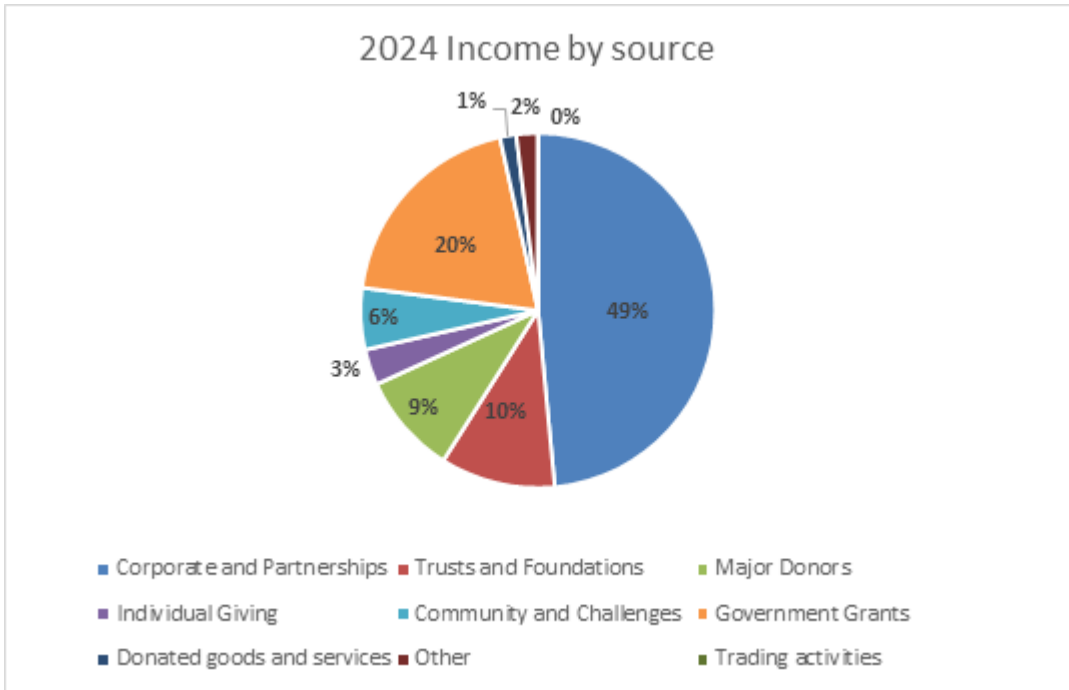
Summary of Income and Expenditure

Expenditure grew in 2024 from £12.8m to £14.0m. This represents both an increase in our handling capacity, fleet and warehousing but also reflects the continuing inflationary pressure on our costs, mainly salaries and rental.

Key expenditure items in 2024 included:

- Increase in average staff numbers from 167 in 2023 to 202 for 2024 (this with other staff increases including our commitment to being a London Living Wage employer has accounted for a year-on-year uplift of £1.44m). Plus an additional £150k for agency staff to cover volunteer shift shortfalls.
- Increase in operating costs for the charity's depots including a rent review at Deptford, taking on a depot to cover Multibank operations and the impact of maintenance and repairs of organisational assets which have seen higher utilisation (costs £385k higher in 2024)
- The impact of food cost inflation remains high at 8% in December 2024, down from a peak of 19.2% in March 2023 according to official figures from the Office of National Statistics (ONS). This leads to greater demand for our services as earnings have not risen to the same degree and therefore increased volumes and volume related costs.

We strive to keep our costs low whilst delivering a high-quality service, maximising the funds donated and, where possible and appropriate, benefiting from volunteer and donated services.



Reserves

There has been much change at The Felix Project following a period of exceptional growth during and since the pandemic which saw us move to an operation that now spans four depots, Felix's Kitchen, Felix's Multibank and the Green Scheme, delivering 38 million meals to community organisations supporting Londoners most in need. This growth led to a Strategic refresh conducted at the beginning of 2022 and another in 2024 focusing on ensuring The Felix Project was fit for purpose given the changes in the world around us, a context which continues to change. We have focused on understanding our impact as an organisation and ensuring we invest in the foundations for future sustainable operation. This has resulted in a far larger and more sophisticated organisation which will continue to adapt. Felix's Kitchen is now an integral part of the solution to food redistribution and our continued success necessitates robust ongoing health & safety management, employee training and of course, income generation.

The following reserves policy reflects these changes and future demands.

Reserves Policy

The Charity has always maintained a reserves policy. The policy dictates the amount of 'free' reserves held to help smooth variations in income and costs and in a worst-case scenario allow normal operations and coverage of financial commitments through a period of restructuring / wind-down. Historically free reserves have been held at a multiple of monthly outgoings, most recently, as ratified by the board we've held 6 months of operating expenses as our reserves.

As the Charity has grown both our long-term financial commitments and our line of sight on future revenues has changed significantly. This updated reserves policy recognises these changes, in order to optimise use of funds whilst continuing to mitigate risks. The updated policy should help, trustees, supporters and beneficiaries understand how the Charity manages its reserves to ensure that the Charity continues to be financially stable.

The Trustees have determined that, in order to ensure that sufficient funds are available to mitigate the cost of our principal risks and cover key costs, should they arise and also to cover the orderly wind up of the charity should it be needed, the level of free reserves, excluding designated reserves, should be held at a minimum of 6 months budgeted unrestricted expenditure not covered by Designated or Restricted reserves. Based on the 2025 budget this is expected to be just over £3.0m.

There are 2 changes to the previous policy:

- Inclusion of a designated fund to cover lease commitments.
- Taking account of income pledged to be received in the following 6 months.

In line with this policy the charity's general fund for business continuity (unrestricted general fund including Fixed Asset and Lease Commitment designated reserves) as of 31 December 2024 is £8.2m (2023: £9m). Designated reserves include; £2.5m for lease commitments

(new) and £3.2m for fixed assets (2023: £2.5m) the remaining free unrestricted reserve stands at £2.5m (2023: £6.5m).

To ensure there are sufficient free unrestricted funds to comply with the policy the following is taken into account; 60% of pledged income for the first 6 months of 2025; £1.1m and 6 months of expenses not covered by restricted or designated reserves; £3m. Using this approach, the required reserves are £1.9m (£3m-£1.1m) which is adequately covered by the free unrestricted reserve of £2.5m.

Restricted reserves stand at £4.6m (2023: £1.9m), of which £2.7m is against capital projects and £1.9m operational activity.

Reference and Administrative Information

The Charity is a company limited by guarantee, registered with Companies House under number 10068253, and registered with the Charity Commission under number 1168183.

Trustees - [Link to Our Board](#)

The Trustees who served during the year and up to the date of signature of the financial statements, and who are also the directors for the purpose of company law, were:
Gavin Darby (Chair of the Board. Chair of Fundraising Committee July 2023 - October 2024)

Jane Byam Shaw OBE

Justin Byam Shaw OBE

David Hudd

Michael Millership (retired on rotation February 2025)

Asi Panditharatna MBE

Ben Salama (Chair of Operations Committee)

Cath Thorpe (Chair of People Committee)

Francesco Vanni d'Archirafi

Julian Wakeham (Chair of Finance Committee)

Karin Woodley CBE

Paul Drechsler CBE (Appointed 25/4/24, Chair of Fundraising Committee and Policy Unit from February 2025)

John Matthew Birch (Appointed 25/4/24)

Adam Park (Appointed 25/4/24, Resigned 13/02/25)

Stella Headley (Appointed 12/12/24)

Senior Management

Charlotte Hill OBE – Chief Executive

Shane Dorsett – Chief Operating Officer

Simon Hawkins – Interim Director of Finance to September 2024

Sue Melly – Director of Finance (returned from sabbatical September 2024)

Tanya Mitchell – Director of Income Generation and Marketing

Bernadette Thomas – Director of People and Culture (resigned 31 August 2024)

Angus Ross – Chief of Staff (started 1 March 2025)

Registered office	c/o Sayer Vincent LLP 110 Golden Lane London EC1Y 0TG
Auditor	Sayer Vincent LLP 110 Golden Lane London EC1Y 0TG
Banker	National Westminster Bank plc 1 Abbey Road Park Royal London NW10 7YQ
Solicitor	Hogan Lovells Atlantic House Holborn Viaduct London EC1A 2FG

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, incorporated in the UK, and registered as a charity. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed by its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

Governance

In accordance with the Articles of Association, Trustees are appointed to the Board by resolution of the Trustees. Trustees will serve until the board meeting following the third anniversary of their appointment but may stand for re-election according to the procedures laid out in the Articles of Association.

Given the nature of the Charity's work, the Trustees seek to maintain a broad range of skills on the Board. Essential skills in business, finance and fundraising are represented on the Board, as well as experience of volunteering, with two Trustees appointed to represent the volunteer workforce.

All Trustees give their time voluntarily and have received no benefits from the Charity. No personal expenses were reclaimed from the charity during the period.

In 2024 we sought a Trustee who could represent our community organisations, resulting in the appointment of Stella Headley, whose first official Board meeting took place in February 2025. Stella is the CEO and Co-founder of Rastafari Movement UK Wellbeing, a community organisation based in Lewisham that Felix has been delivering to for many years.

To provide mechanisms for more robust review, scrutiny, and development of plans across all areas of the charity the Board has four sub-committees for finance, fundraising, operations, and people. The subcommittees address strategic and significant decisions, reviewing the management of major risks and making recommendations to the quarterly board meetings.

Management

Responsibility for the day-to-day management of the Charity's operations and delivery of its services are delegated to the Chief Executive Officer. The executive leadership comprised the Chief Operations Officer, Director of Finance, Director of Income Generation and Marketing and Director of People & Culture. An extended senior leadership team in 2024 included the Heads of Technology and Felix Central Services.

In setting the remuneration of the Chief Executive Officer, the Trustees' policy is to balance remuneration levels of Chief Executive Officers of London-based charities of equivalent size

and complexity, with those of Chief Executive Officers/Senior Leaders from relevant industry sectors.

The Felix Project has a wholly owned trading subsidiary, The Felix Project Trading Company Limited, through which all trading activity is accounted for. The intention is that all profits made in the trading subsidiary are donated in full to The Felix Project. No staff are employed by the trading subsidiary. The results of the subsidiary are consolidated on a line-by-line basis.

Risk Management

The Trustees are accountable for the strategic management of risks faced by the Charity, delegating responsibility for the day-to-day management and mitigation of identified risks to the Executive Leadership Team, which formally reports regularly to the Trustees and brings to their attention any significant increases in risks, should they arise. Whilst it is accepted that the Charity's risk management strategies cannot offer absolute assurance against all forms of loss or damage, the Trustees are satisfied that the measures deployed mitigate exposure to the most significant risks to the Charity.

Principal Risks

As part of the ongoing assessment of our strategic risks, and following the initial three year strategic planning exercise that was undertaken in 2022, the Executive Leadership Team and Board redefined and updated the charity risk management strategy. The primary strategic risks are categorised as follows:

Sustainability of (Fundraising) Income Growth: The growth of fundraising income may not be sustainable in the medium to long term. Impact of not achieving growth in financial plan may result in a breach of reserves policy and a resulting impact on operations.

Insufficient Food Supply: The growth of food supply may not meet growing demand. This may have the impact of not being able to achieve our strategic goals to serve all our charity and community partners.

Breach of Health and Safety (Including Food Standards) policy; If we experience a serious health and safety breach in our operations. Impact could be significantly damaging; loss of life or injury, criminal investigation and /or regulatory action as well as damage to our reputation.

People relations: Any adverse relationship between the charity and volunteers or staff may have a negative impact on the charity, both in terms of efficient working practices and reputation. Successful management of people relations (employees and volunteers) is a key strategic objective.

Insufficient Food Re-distribution: Any failure of the charity to develop the core capability to increase food re-distribution to meet demand. Impact on our reputation and credibility and failure to achieve our core Mission and strategic objectives.

Cyber attacks, Data Loss or breach and/or Inaccuracy; Our technology systems and processes & procedures result in serious data privacy loss or breach or we experience key

insights inefficiencies. Reputational or other damage to the charity including regulatory reprimand or fine and complaints. Cost of time and performance due to poor systems or technology.

Brand & Reputation; A general other serious impact on our Brand and PR due to actions of individuals and/or organisational failure (e.g. negative news story or social media action). Impact could result in reduced funding, loss of donors and supporters, volunteers, or other stakeholders.

Investment Policy

The Charity had no investments in 2024 other than term treasury deposits with two banks which are used to hold cash not immediately needed for operational requirements.

Related Parties

In 2024 there were no issues of conflicts of interest or inappropriate appointments of related parties.

Disclosure of Information to Auditors

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 each taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

Auditors

Sayer Vincent were re-appointed as auditors during the year.

On behalf of the board of Trustees

Mr Gavin Darby

Chair of the Board of Trustees

Dated: 8 May 2025

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees, who are also the directors of The Felix Project 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;
- state whether applicable UK 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 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.

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF THE FELIX PROJECT



Opinion

We have audited the financial statements of The Felix Project (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2024 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows 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 FRS 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 group's and of the parent charitable company's affairs as at 31 December 2024 and of the group's 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
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

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 group financial statements section of our report. We are independent of the group and parent 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 Felix Project's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other Information

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the group 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 group 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 group 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 group 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 the audit:

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic report, has 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 group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent charitable company for

the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Capability of the Audit in Detecting Irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the

financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.

- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

Joanna Pittman (Senior statutory auditor)

Date 30 May 2025

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

		Unrestricted funds	Restricted funds	Total 2024	Total 2023
	Notes	£	£	£	£
<u>Income and endowments from:</u>					
Donations and grants receivable	3	6,064,755	9,496,367	15,561,122	12,669,921
Income from other trading activities	4	1,033	-	1,033	9,792
Investment income	5	262,740	-	262,740	172,484
Other income	5	47,975	-	47,975	28,539
Total income		6,376,503	9,496,367	15,872,870	12,880,736
<u>Expenditure on:</u>					
Raising funds	6	1,383,464	141,287	1,524,751	1,259,979
Charitable activities	7	6,664,670	5,846,965	12,511,635	11,584,614
Total resources expended		8,048,134	5,988,252	14,036,386	12,844,593
Net (outgoing)/incoming resources before transfers		(1,671,631)	3,508,115	1,836,484	36,143
Gross transfers between funds	20	858,202	(858,202)	-	-
Net income for the year/Net movement in funds		(813,429)	2,649,913	1,836,484	36,143
Fund balances at 1 January		8,985,925	1,901,065	10,886,990	10,850,847
Fund balances at 31 December		8,172,496	4,550,978	12,723,474	10,886,990

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

CONSOLIDATED AND CHARITY BALANCE SHEET

		2024		2023		2024		2023	
Notes	£	£	£	£	£	£	£	£	£
Fixed assets									
Intangible assets	12	287,859		50,487		287,859		50,487	
Tangible assets	13	2,933,052		2,454,555		2,933,052		2,454,555	
Investment in Subsidiary	14	-		-		1		1	
		3,220,911		2,505,042		3,220,912		2,505,043	
Current assets									
Debtors	15	1,900,494		1,546,334		1,912,281		1,547,566	
Cash at bank and in hand		9,459,863		11,272,503		9,448,112		11,263,096	
		11,360,357		12,818,837		11,360,393		12,810,662	
Creditors: amounts falling due within one year	16	(1,376,870)		(4,047,707)		(1,371,505)		(4,043,665)	
Net current assets		9,983,487		8,771,130		9,988,888		8,766,997	
Total assets less current liabilities		13,204,398		11,276,172		13,209,800		11,272,040	
Creditors amounts falling due after more than one year	17	-		(13,131)		-		(13,131)	
Provision for other liabilities	18	(480,924)		(376,051)		(480,924)		(376,051)	
Total assets less liabilities		12,723,474		10,886,990		12,728,876		10,882,858	
Income funds									
Restricted funds	20	4,550,978		1,901,065		4,550,978		1,901,065	
Unrestricted funds									
General funds		2,444,819		6,480,883		2,450,221		6,476,751	
Designated funds	21	5,727,677		2,505,042		5,727,677		2,505,042	
		8,172,496		8,985,925		8,177,898		8,981,793	
		12,723,474		10,886,990		12,728,876		10,882,858	

The financial statements were approved by the Trustees on 8 May 2025

Gavin Darby
Chair of the Board of Trustee
Company Registration No. 10068253

CONSOLIDATED CASHFLOW STATEMENT

Cashflows from operating activities		2024	2023
		£	£
Net cash (used by) / provided by operating activities	A	(525,074)	4,464,668
Cashflows from investing activities			
Purchase of fixed assets		(1,587,626)	(594,413)
Disposal of fixed assets		37,320	4,083
Bank interest income		262,740	172,484
Change in cash and cash equivalents in the year		(1,812,640)	4,046,822
Cash and cash equivalents at 1 January		11,272,503	7,225,681
Cash and cash equivalents at 31 December		9,459,863	11,272,503

A - Reconciliation of net movement in funds to net cash provided by (used in) operating activities

	2024	2023
	£	£
Net movement in funds (as per the statement of financial activities)	1,836,484	36,143
Adjustments for:		
Fixed Asset Gifts in kind income	(80,460)	(3,819)
Depreciation and Fixed Asset Impairment charges	947,112	902,456
(Gain) / Loss on disposal of fixed assets	(32,215)	19,587
Bank interest Income	(262,740)	(172,484)
(Increase)/Decrease in debtors	(354,160)	557,607
(Decrease)/Increase in creditors	(2,579,095)	3,125,178
Net cash (used by) / provided by operating activities	(525,074)	4,464,668

B - Analysis of changes in net debt

	Cash and Cash Equivalents	Finance Leases	Total
Net (debt) as at 31 December 2023	11,272,503	(34,697)	11,237,806
Cash flows	(1,812,640)	-	(1,812,640)
Lease principle falling due	-	21,566	21,566
Net (debt) as at 31 December 2024	9,459,863	(13,131)	9,446,732

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

Charity information

The Felix Project is a private company limited by guarantee incorporated in England and Wales. The registered office is 110 Golden Lane, London, EC1Y 0TG .

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, 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) (effective 1 January 2019)". 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 group. Monetary amounts in these financial statements are rounded to the nearest £. The financial statements have been prepared under the historical cost convention. The principal accounting policies are set out below.

1.2 Basis of consolidation

The consolidated financial statements reflect the results and combined financial position of The Felix Project and its subsidiary undertaking The Felix Project Trading Company Limited. As permitted by s408 of the Companies Act 2006, the parent charitable company has not presented its own statement of financial activities (incorporating its income and expenditure account) and related notes.

1.3 Going concern

The Trustees' Report outlines the impact of current events on the charity and the group. The main risks faced by the charity as a result of the health crisis were a shortage of food, volunteers and/or funds. Due to the incredible response from the charity's suppliers, volunteers and donors, at the time of approving the financial statements, the trustees have a reasonable expectation that the charity and group 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.

1.4 Charitable funds

Unrestricted funds are funds which can be used in accordance with the charitable objects at the discretion of the trustees. Designated funds are funds which have been set aside out of unrestricted funds at the discretion of the trustees to ensure planned growth is sustainable and responsibly funded.

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.

1.5 Incoming resources

Income is recognised when the group 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. All other income is recognised in line with the above. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the value of services provided by volunteers has not been recognised and included in these financial statements. For further details on their contribution, please refer to the trustees' annual report. On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1.6 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of fundraising.
 - Expenditure on charitable activities includes the costs of the delivery of its activities.
- Support costs are allocated across the fundraising costs and charitable activity.

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses. Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

- Depot infrastructure and refurbishment 20% straight line
- Equipment and Machinery 20% straight line
- IT Equipment and Software 33% straight line
- Motor vehicles 25% straight line

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.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible 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).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of six months or less.

1.10 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.

1.11 Leases

Assets that are held by Company under leases which transfer to the Company substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Company are classified as operating leases.

Finance leases

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss.

Operating leases

Rental charges are charged on a straight line basis over the term of the lease

1.12 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.

1.13 Pensions

The charity contributes to a defined contribution pension scheme and contributions for the year are charged in the Statement of Financial Activities as they become due.

2 Critical accounting estimates

In the application of the group'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. Critical accounting estimates made in the year include the valuation of Gifts in Kind and cost provisions.

3 Donations and grants receivable

	Consolidated and Charity			Consolidated and Charity		
	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2024			2023		
	£	£	£	£	£	£
Corporate and Partnerships	2,519,363	5,177,078	7,696,441	4,098,868	1,566,189	5,665,057
Trusts and Foundations	586,101	1,076,495	1,662,596	628,157	1,591,823	2,219,980
Government Grants	23,976	3,068,868	3,092,844	239,016	2,154,200	2,393,216
Major Donors	1,322,893	140,000	1,462,893	920,514	-	920,514
Individual Giving	518,497	1,352	519,849	587,057	5,553	592,609
Community and Challenges	858,477	32,574	891,051	660,228	86,371	746,600
Donated goods and services	235,448	-	235,448	131,945	-	131,945
	6,064,755	9,496,367	15,561,122	7,265,785	5,404,136	12,669,921

Analysis of Donated goods and services	2024	2023
	£	£
Pro bono legal and professional fees	-	40,107
Pro bono rent and parking	92,292	36,327
Pro bono graphic design services	1,080	1,500
Van hire, waste disposal and capital assets donated	134,426	51,311
Advertising and marketing campaign services	6,650	2,700
Multiverse Apprenticeships	1,000	-
	235,448	131,945

The Charity received / rescued donations of an estimated 15,842 tonnes of food for distribution during 2024 equivalent to an estimated 38.0 million meals (2023 : 13,402 tonnes, 31.9 million meals). In addition, 146k hours of volunteer time with an estimated equivalent cost of £1,928k was provided to the Charity (2023 : 181k hours, cost £1,978k). The Charity also received/rescued nearly 1.5m items of non-food as part of the Multibank initiative. Neither donated food, non-food nor volunteer time are recognised in the accounts.

4 Income from other trading activity

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
			2024			2023
	£	£	£	£	£	£
Income from other Trading activities	1,033	-	1,033	9,792	-	9,792
	1,033	-	1,033	9,792	-	9,792

5 Other Income

	Unrestricted Funds	Unrestricted Funds
	2024	2023
	£	£
Gain on disposal of fixed assets	46,408	417
Property and other recharge income	1,567	28,122
Bank Interest	262,740	172,484
	310,715	201,023

6 Raising Funds

	2024	2023
	£	£
<u>Fundraising and publicity</u>		
Staff Costs	850,856	732,774
Other Fundraising and publicity expenditure	339,437	239,823
	1,190,293	972,597
Share of support costs (see note 8)	330,387	283,840
Share of governance costs (see note 8)	4,071	3,542
	1,524,751	1,259,979
Analysis by fund		
Unrestricted funds	1,383,464	1,259,979
Restricted funds	141,287	-
	1,524,751	1,259,979

7 Charitable Activities

	2024	2023
	£	£
Staff Costs	5,178,161	4,123,755
Other Charitable Expenditure		
-Operations	4,777,139	5,455,406
-Community Distribution	52,545	54,737
-Volunteer Management	28,800	18,872
	10,036,645	9,652,770
Share of support costs (see note 8)	2,444,861	1,908,035
Share of governance costs (see note 8)	30,129	23,809
	12,511,635	11,584,614
Analysis by fund		
Unrestricted funds	6,664,670	6,064,124
Restricted funds	5,846,965	5,520,490
	12,511,635	11,584,614

8 Support Costs

	Support costs	Governance costs	2024	Support costs	Governance costs	2023
	£	£	£	£	£	£
Staff Costs	1,809,973	-	1,809,973	1,372,265	-	1,372,265
Professional fees	254,321	-	254,321	259,337	-	259,337
IT and Communications	356,762	-	356,762	254,019	-	254,019
Audit fees	-	34,200	34,200	-	27,333	27,333
Other support and governance costs	354,192	-	354,192	306,254	18	306,272
	2,775,248	34,200	2,809,448	2,191,875	27,351	2,219,226
Share of costs						
Raising Funds (see note 6)	330,387	4,071	334,458	283,840	3,542	287,382
Charitable Activities (see note 7)	2,444,861	30,129	2,474,990	1,908,035	23,808	1,931,844
	2,775,248	34,200	2,809,448	2,191,875	27,351	2,219,226

9 Consolidated net expenditure/ income for the year is stated after charging/(crediting):

	2024	2023
	£	£
Depreciation	947,112	902,456
Loss or profit on disposal of fixed assets	(32,215)	19,588
Interest payable	1,219	2,572
Operating lease rentals payable:		
Property	1,058,352	890,766
Auditor's remuneration (excluding VAT):		
Audit - current year	27,000	23,300
-Previous year	2,000	-
Other services	1,611	85

Other services from auditors represent the provision of Registered Office.

10 Trustees and Related Party Transactions

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

No trustees have claimed expenses during the year (2023 : nil)

A donation of £500 was received from the Felix Byam Shaw Foundation, where two of the Foundation's trustees are also trustees of The Felix Project (2023:nil) .

Aggregate donations from 7 trustees were £15,941 in the year (2023 - from 6 trustees totalling £18,676).

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Raising funds	20	18
Charitable activities	148	121
Support	34	28
	202	167

Employment costs

	2024	2023
	£	£
Wages and salaries	6,504,626	5,234,965
Social security costs	642,371	528,655
Other pension costs	286,264	227,308
	7,433,261	5,990,928

The Key Management Personnel detailed in the trustees report received total employee remuneration in the year of £632,839 (2023 - £566,766).

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2024	2023
£140,001 - £150,000	1	1
£100,001 - £110,000	1	0
£90,001 - £100,000	2	1
£80,001 - £90,000	0	1
£70,001 - £80,000	1	1
£60,001 - £70,000	3	1

12 Intangible Fixed Assets

	Consolidated and Charity		
	IT Software	Fixed Assets under Construction	2024
	£		£
Cost			
At 1 January 2024	360,655	-	360,655
Additions	67,305	221,496	288,801
Transfers	-		-
At 31 December 2024	427,960	221,496	649,456
Depreciation			
At 1 January 2024	310,168	-	310,168
Depreciation charge for the year	51,429	-	51,429
At 31 December 2024	361,597	-	361,597
Total			
At 31 December 2024	66,363	221,496	287,859
At 31 December 2023	50,487	221,496	50,487

13 Tangible Fixed Assets

	Depot Costs	Vehicles	IT Equipment	Equipment and Machinery	Kitchen Equipment	Fixed Assets under Construction	2024
	£	£	£	£	£	£	£
Cost							
At 1 January 2024	1,392,492	1,326,122	119,428	1,065,907	341,427	152,486	4,397,862
Additions	39,272	369,478	25,036	50,876	158,751	735,872	1,379,285
Reclassifications	-	144,052	-	-	8,434	(152,486)	-
Disposals	-	(80,216)	(2,366)	-	(9,594)	-	(92,176)
At 31 December 2024	1,431,764	1,759,436	142,098	1,116,783	499,018	735,872	5,684,971
Depreciation and Impairment							
At 1 January 2024	508,637	778,720	83,928	461,698	110,324	-	1,943,307
Depreciation charge for the year	281,085	310,433	26,504	205,094	72,567	-	895,683
Accumulated depreciation on asset disposals	-	(80,216)	(2,218)	-	(4,637)	-	(87,071)
At 31 December 2024	789,722	1,008,937	108,214	666,792	178,254	-	2,751,919
Total							
At 31 December 2024	642,042	750,499	33,884	449,991	320,764	735,872	2,933,052
At 31 December 2023	883,855	547,402	35,500	604,209	231,103	152,486	2,454,555

Motor vehicles with a net book value at 31 December 2024 of £nil (2023 : £24,354) are held through finance lease arrangements.

Motor vehicles with a net book value at 31 December 2024 of £nil (2023 : £24,354) are held through finance lease arrangements.

14 Investment in Subsidiary	2024	2023
Charity only	£	£
Shares in group subsidiary	1	1

The charity holds the entire £1 share capital of its trading subsidiary, The Felix Project Trading Company Limited .

15 Debtors	Consolidated	Consolidated	Charity	Charity
	2024	2023	2024	2023
	£	£	£	£
Amount falling due within one year:				
Trade debtors	351,182	173,753	351,182	175,353
Other debtors	336,700	315,701	348,487	315,333
Prepayments and accrued income	1,212,612	1,056,880	1,212,612	1,056,880
	1,900,494	1,546,334	1,912,281	1,547,566

The Charity debtors figure contains £11,787 of intercompany debt (2023: £1,233).

16 Creditors: Amount falling due within one year:	Consolidated	Consolidated	Charity	Charity
	2024	2023	2024	2023
	£	£	£	£
Trade creditors	739,746	603,756	738,456	603,756
Other creditors	87,145	71,719	87,145	71,752
PAYE and Social Security	163,364	133,487	163,364	133,487
Accruals and deferred income	386,615	3,238,745	382,540	3,234,670
	1,376,870	4,047,707	1,371,505	4,043,665

Other creditors includes an amount of £13,131 (2023 : £21,566) being amounts due within a year for finance leases.

17 Creditors amounts falling due after more than one year

	Consolidated and Charity	Consolidated and Charity
	2024	2023
	£	£
Finance leases (1 to 5 years)	-	13,131
	-	13,131

18 Provision for other liabilities

	Consolidated and Charity			
	At 1 January 2024	Additions in year	Released in year	At 31 December 2024
	£	£	£	£
Dilapidations provision	376,051	101,273	-	477,324
Other Provision	-	3,600	-	3,600
Total	376,051	104,873	-	480,924

The dilapidations provision represents the Charity's estimated liability for dilapidations on the Deptford, Enfield, Park Royal and Poplar depot leases.

19 Bank Debenture

A debenture is in place over all assets of the charity to cover liabilities for card facilities, a BACS limit of £300,000 and foreign cheque negotiation up to £20,000.

At the period end an amount of £2,216 (2023: £5,740) was owed in respect of the card facilities.

20 Restricted funds

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

Consolidated and Charity					
Movement in funds					
2024	Balance at 1 January 2024	Incoming Resources	Resources Expended	Transfers	Balance at 31 December 2024
	£	£	£	£	£
Equipment / Capital	9,694	41,600	(44,965)	-	6,329
Schools Programme	125,023	267,000	(263,069)	(50,000)	78,954
Felix's Kitchen	211,595	1,196,290	(870,448)	(90,000)	447,437
Transport and Vans	391,961	159,752	(441,466)	-	110,247
New East London Depot	57,469	207,201	(261,986)	-	2,684
FareShare Funding (General)	2,776	28,292	(31,068)	-	-
Across Operations	52,667	556,582	(428,574)	-	180,675
Community Freezer Project	188,468	-	(87,175)	-	101,293
GLA Funded Projects	-	2,509,785	(2,488,785)	-	21,000
Felix Connect	350	-	-	-	350
FareShare Funding (H & S)	454	12,670	(13,124)	-	-
Reaching Communities	37,604	235,893	(265,996)	-	7,501
Farm to Freezer	823,004	-	(266,115)	-	556,889
South London Depot	-	2,738,000	(203,766)	(718,202)	1,816,032
West London Depot	-	445,000	(15,000)	-	430,000
Unit 17 Food Processing	-	511,302	(138)	-	511,164
Multibank	-	527,000	(294,570)	-	232,430
Coronation Food Project	-	50,000	(2,007)	-	47,993
Francis Windham Foundation	-	10,000	(10,000)	-	-
Totals	1,901,065	9,496,367	(5,988,252)	(858,202)	4,550,978

The transfer between funds amounting to £858,202 (2023: £534,737) represents the value of donations to the charity restricted to the purchase of capital assets.

Once capital assets are purchased the restriction has been complied with, resulting in a transfer of the value of the assets purchased from restricted to unrestricted.

Restricted income funds are donations or grants that are received with specific conditions attached, outlining how the funds should be used for specific purpose. These funds are received for a particular project, programme or cause and are not available for Charity's general charitable purpose.

Consolidated and Charity

2023	Movement in funds				
	Balance at 1 January 2023	Incoming Resources	Resources Expended	Transfers	Balance at 31 December 2023
	£	£	£	£	£
Equipment / Capital	-	175,942	(79,050)	(87,198)	9,694
Schools Programme	310,521	295,000	(250,498)	(230,000)	125,023
Felix's Kitchen	686,032	586,750	(979,187)	(82,000)	211,595
Transport and Vans	530,000	447,580	(441,235)	(144,384)	391,961
New East London Depot	13,483	264,418	(240,075)	19,643	57,469
FareShare Funding (General)	2,776	48,500	(48,500)	-	2,776
Across Operations	58,828	85,346	(88,161)	(3,346)	52,667
Community Freezer Project	950,516	150,000	(912,048)	-	188,468
GLA Funded Projects	-	2,154,200	(2,154,200)	-	-
Felix Connect	-	19,000	(18,650)	-	350
FareShare Funding (H & S)	-	64,624	(56,718)	(7,452)	454
Reaching Communities	-	216,705	(179,101)	-	37,604
Farm to Freezer	-	896,071	(73,067)	-	823,004
Totals	2,552,156	5,404,136	(5,520,490)	(534,737)	1,901,065

21 Designated funds
Consolidated and Charity

2024	Balance at 1 January 2024	Utilised	Un-designated	New designation	Balance at 31 December 2024
	£	£	£	£	£
Fixed assets	2,505,042	(952,217)	-	1,668,086	3,220,911
Operating lease commitments	-	-	-	2,506,766	2,506,766
Totals	2,505,042	(952,217)	-	4,174,852	5,727,677

2023	Balance at 1 January 2023	Utilised	Un-designated	New designation	Balance at 31 December 2023
	£	£	£	£	£
Fixed assets	2,832,935	(926,126)	-	598,233	2,505,042
Totals	2,832,935	(926,126)	-	598,233	2,505,042

The amounts utilised during the year represent funds spent as set out by the trustees at the beginning of the year. The trustees have designated the Charity's fixed assets and 50% of its operating lease commitments as designated funds.

22 Analysis of net assets between funds

	Consolidated and Charity				
	Unrestricted funds			Restricted funds	Total
	Designated	General	Total Unrestricted		
				2024	2024
£	£	£	£	£	
Fund balances at 31 December 2024 are represented by:					
Intangible fixed assets	287,859	-	287,859	-	287,859
Tangible fixed assets	2,933,052	-	2,933,052	-	2,933,052
Net current assets	2,506,766	2,922,143	5,428,909	4,554,578	9,983,487
Provision for other liabilities	-	(477,324)	(477,324)	(3,600)	(480,924)
	<u>5,727,677</u>	<u>2,444,819</u>	<u>8,172,496</u>	<u>4,550,978</u>	<u>12,723,474</u>
	Unrestricted funds			Restricted funds	Total
	Designated	General	Total Unrestricted		
				2023	2023
	£	£	£	£	£
Intangible fixed assets	50,487	-	50,487	-	50,487
Tangible fixed assets	2,454,555	-	2,454,555	-	2,454,555
Net current assets	-	6,870,065	6,870,065	1,901,065	8,771,130
Creditors amounts falling due after more than one year	-	(13,131)	(13,131)	-	(13,131)
Provision for other liabilities	-	(376,051)	(376,051)	-	(376,051)
	<u>2,505,042</u>	<u>6,480,883</u>	<u>8,985,925</u>	<u>1,901,065</u>	<u>10,886,990</u>

23 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows.

	Consolidated and Charity 2024	Consolidated and Charity 2023
	£	£
Within one year	998,140	779,614
Between two and five years	3,652,013	1,574,602
In over five years	363,378	630,245
	<u>5,013,531</u>	<u>2,984,461</u>

24 Results from Trading Activities of Subsidiaries

The charity has a wholly owned trading subsidiary, The Felix Project Trading Company Limited (registered company number 11824361).

(Audited) financial statements have been filed with the Registrar of Companies.

The Felix Project Trading Company Limited (registered company number 11824361)	2024	2023
Summary Profit and Loss account	£	£
Turnover	307	12,353
Cost of Sales	-	(11)
Gross Profit	<u>307</u>	<u>12,342</u>
Administrative Expenses	(5,708)	(8,210)
Operating Profit/Profit before Taxation	<u>(5,401)</u>	<u>4,132</u>
Tax on profit on ordinary activities	-	-
Profit For the Financial Year After Taxation	<u>(5,401)</u>	<u>4,132</u>
 The assets and liabilities		
Current assets	11,750	9,440
Current liabilities	(17,152)	(5,307)
Total net assets	<u>(5,402)</u>	<u>4,133</u>
 Share capital and reserves	<u>1</u>	<u>1</u>

Excluding its subsidiary, the charity's income for 2024 is £15,878,002 and the net surplus for the year is £1,846,020.



THE
FELIX
PROJECT

thefelixproject.org

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Charity Registration No. 1168183

Company Registration No. 10068253
(England and Wales)

THE FELIX PROJECT

England & Wales - Charity number 1168183

Accounts



Charity Registration No. 1168183

Company Registration No. 10068253 (England and Wales)

THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

THE FELIX PROJECT

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THE FELIX PROJECT

TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT AND DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees present their report and financial statements for the year ended 31 December 2023.

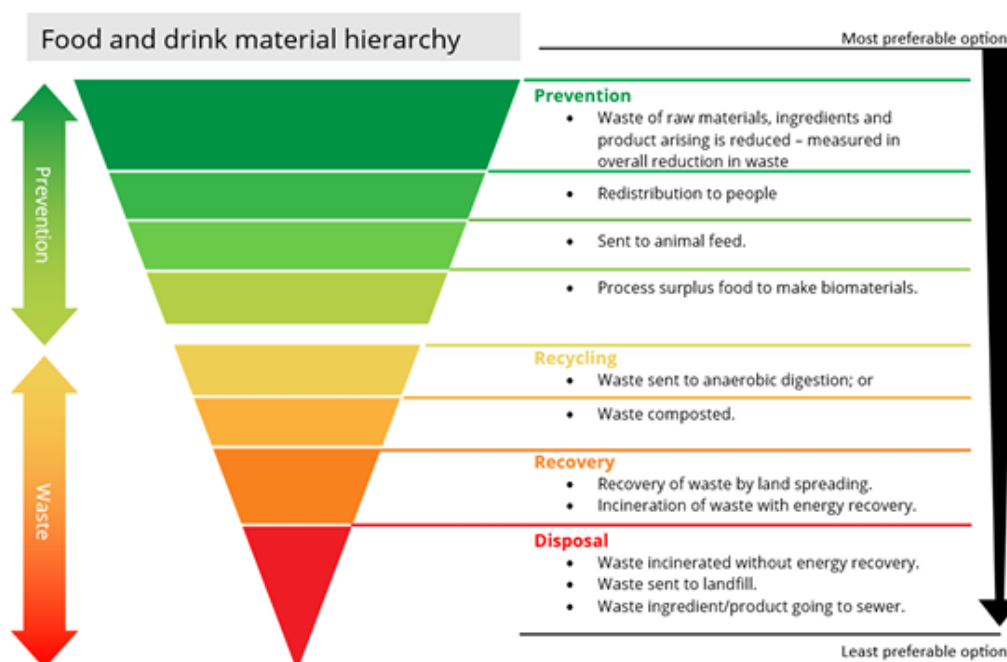
The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 and 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting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

Our Charitable Objects

To preserve and protect the environment and to relieve those in need by reason of youth, age, ill-health, disability, financial hardship or other social or economic disadvantage by the redistribution of surplus food to relieve the above needs.

The External Context

It is estimated that 10.7 million tonnes of food were wasted in the UK in 2021, 40% of which originates from within the food supply chain. This makes little sense from a resource perspective and is a travesty for our planet - when food goes to landfill the potent greenhouses that are newly created are fuelling climate change. According to The Waste and Resources Action Programme (WRAP), the redistribution of food to people is one of the most preferable solutions in the prevention of food wastage.



2023 has been a year of continuing economic uncertainty, with the cost-of-living crisis impacting heavily on the communities The Felix Project serves, compounded by food inflation being at its highest for 45 years. Research we conducted this year tells us that **1 in 4 working London parents** struggle to afford to feed their families. In addition, 25% of working parents said they had skipped a meal or not bought food for themselves to ensure their children could eat. 14% of working families in London say they have turned to a food support service for the first time in the last year. Incredibly 11% of working families in London from our survey have less than £3 a day to spend on food.

What We Do - Our Vision and Mission

THE FELIX PROJECT

TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT AND DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

The Felix Project is a London-based UK charity set up in 2016 by entrepreneur Justin Byam Shaw and others to tackle both issues.

Our vision is **'A London where no one is hungry and good food is never wasted'**

Our mission is **'To get good quality, nutritious food to people in need by making use of the surplus food in the UK's food supply, saving it from becoming waste and harming the planet.'**

The Felix Project rescues food from farms, the hospitality and food sector, the manufacturing sector, and the retail industry to minimise the amount of food that is wasted and the detrimental effect it has on the environment. The food we rescue is food that cannot, or is not, going to be eaten but is perfectly fit for human consumption. We redistribute all types of food including fresh fruit and vegetables, dairy, meat and fish, ambient products that do not require refrigeration, chilled and frozen. We deliver it, free of charge, to a network of over 1,000 organisations throughout London. These are organisations such as hostels, community centres and schools that are embedded in their local communities and support individuals in a variety of ways.

Many of the individuals supported by these organisations are those at risk of hunger and malnutrition or social isolation. This includes those from the homeless and rough sleeper community, families from socio-economically disadvantaged communities and households (including those without recourse to public funds or support), and people who are supported because of physical and/or mental health challenges. It also includes refugees, asylum seekers, children, women who are escaping domestic violence and/or are victims of trafficking, people being supported as they are experiencing addiction or other similar challenges; and older people who are isolated and/or experiencing loneliness.

The Felix Project has four depots in West, North, East and South-east London. In addition to this, our Green Scheme operates in Central London and Canary Wharf. While representing a small part of our output, this low carbon footprint operation (food is collected and delivered in electric vehicles, on foot or on bicycle) circumvents the need for expensive warehousing.

At Felix's Kitchen, next to our depot in East London, a team of creative professional chefs turns surplus food into healthy and delicious meals that can be microwaved or heated on a hob. These meals provide a valuable addition to the food we rescue.

Alongside our staff team sits an inspiring and incredibly dedicated team of volunteers who underpin our ability to achieve what we do daily. Our volunteers help with processing the incoming and outgoing food at our depots, collect food from suppliers and deliver it to community organisations, help prepare the meals made in the kitchen, support with administration tasks, at events, and more.

Our Strategic Objectives

Our current strategy runs to the end of 2024. Our strategic objectives are:

- Sustainable growth of impact, brand, community, and influence.
- Secure dependable and adequate resources including surplus food, income, volunteers, advocates, and supporters.
- Optimise processes, policies, and practices (embedding brilliant basics)
- Reach communities most in need with balanced, nutritious food.

THE FELIX PROJECT

TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT AND DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

- Measure and track impact as well as outputs.
- Innovate for maximum efficiency and effectiveness.

Food supply

In 2023 The Felix Project rescued 13,400 tonnes of food that may otherwise not have been eaten. That is the equivalent of 32 million meals and is the largest amount of food we have redistributed per year to date. We have maintained these high levels of supply using existing and new channels, constantly evolving, and innovating both through new partnerships and with existing ones.

Significant new supply streams were identified and established during the year, including at Western International Market in Southall, and an orchard in Kent where we have taken over the harvesting of all of their apples, plums, and pears for 5 years. At the market in Southall, we worked with traders to rescue 170 tonnes of fresh fruit and vegetables. Embedding ourselves on the market, in the office and across all the units has resulted in relationships that will continue for many years across multiple organisations.

At the orchard we were supported by more than 800 volunteers from 50 organisations who committed 2,406 hours of picking time to rescue apples, pears, and plums throughout August, September, and October. With the support of Amazon, who provided all the logistics, we rescued 106 tonnes of pears, apples and plums which were delivered to our network of community partners in London. In addition, as some of the apples were not viable for eating, we worked with local partners to turn them in to 33 tonnes of juice – giving life to fresh, raw ingredients and diversifying the range of products for our community partners.

We have worked hard to ensure our supply volumes come from a range of partners, to increase our resilience and decrease risk to our business. We significantly increased surplus donations with two key strategic partners – Amazon & Ocado Retail Limited. This resulted in an increase of surplus of 17% and 43% respectively. The number of key strategic partners providing significant volume has increased, whilst the number of suppliers from across the whole food industry underpinning that base.

Due to investment in frozen infrastructure at our depots and our community partners thanks to the support of His Majesty the King, we increased frozen redistribution by 240 tonnes vs 2022. Notable partners for this newly unlocked supply are Pret, Quorn, Whitby Sea Food & Staple Food Group.

Food volumes from our close partner FareShare have increased volumes from 6,029 tonnes (2022) to 6,465 in 2023. Our organisations continue to work closely alongside each other and go from strength to strength, working effectively in the same space but to each other's strengths to ensure food is rescued from many and varied sources from across the food industry.

Community

2023 has been another busy year during which the impact of the cost of living was felt heavily across London and drove demand for our services higher than ever. We worked with 1,119 community organisations and schools during the year (vs 1,059 in 2023). All were asking for more food and our waitlist remained consistently over 600 (including 270 schools), peaking at over 700 in the latter part of the year.

As well as redistributing an increased amount of food to our network of community partners, we have continued to:

- evolve our services as we learn more about the communities our food reaches
- develop partnerships that enable us to offer more than just food to the community organisations and schools we support
- develop our use of technology to support our understanding and effectiveness.

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FOR THE YEAR ENDED 31 DECEMBER 2023

At the beginning of the year, we worked with partners to supply 800 fridges and freezers to community organisations across the UK, thanks to the support of His Majesty King Charles III and other key funders. Providing these units increased the chilled and frozen capacity of our networks significantly, enabling an increase in the amount of food redistributed.

Working with Mayor's Fund for London, we secured funding from the Greater London Authority (GLA) to support families and children in the school holidays. This model requires extensive coordination across all Felix operations to create the right mix of food for families. This year we piloted a surplus recipe kit model - Create & Make - with partners Mayor's Fund for London and StreetBox. This provided families with surplus food, store cupboard staples and suggested recipes to inspire families to cook and create meals. We are on target to have exceeded the funded delivery of 7 million meals over the school holidays in collaboration with Mayor's Fund for London and 3 million meals over the weekends, both programmes supported by the Mayor.

We also evaluated our Felix Food Fight programme. Although we were disappointed there was not a greater uptake of the educational materials by the schools, the evaluation revealed the significance of the need for families that are struggling, and the extent to which the weekly market stalls have enhanced the relationship between families and schools. Schools were better able to establish relationships with those they had not been able to engage before and reported seeing a change in circumstances of families. Special credit goes to the staff and volunteers involved in the market stalls who are making a difference in their communities and helping to keep families struggling the most to keep their children in school and the families fed.

A further focus this year has been developing our relationships with housing associations and the G15, the group of the largest housing associations in the UK. We became founder members of the London Food Insecurity Network working with HACT (Housing Associations Charitable Trust) which has seen us secure our first funding stream from housing associations to support our existing work to support their residents.

Felix's Kitchen

Our kitchen, situated next to our depot in East London, was established in 2021 and is an integral part of our work. Every day, food Felix has rescued from potentially being wasted is used as ingredients for delicious, healthy, and nutritious individually packed meals.

2023 was a year of incredible growth for Felix's Kitchen. Our priority was to try and increase output in response to the growing demand for our meals as people struggled to afford the energy bills to cook from scratch using raw ingredients. This resulted in us producing over one million meals (total number of 1,114,234) - a 15% increase on 2022. This is the equivalent of over 2 nutritious & delicious Felix Meals being eaten every minute of every day of the year.

With the continued support of Morgan Stanley, the kitchen team exceeded its targets and records time and time again, breaking monthly records on four separate occasions, with the strongest month being October during which 107,620 meals were produced.

Our daily meal production average for the year was 3,971 meals and since May 23 it has not dropped below a 4,000 average. This has resulted in more meals being produced for individuals throughout London alongside a decreased cost per meal of £1.19 (vs £1.26 in 2022).

The investment in the kitchen's infrastructure has created a more efficient and safer working environment and the investment in people and structure means we are set for another fantastic year in 2024.

Distribution

At Felix we strive to find the most effective ways to distribute more food to more communities and we continue to deliver food in a variety of ways:

THE FELIX PROJECT

TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT AND DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

1. **Delivery of food directly to community organisations** – this is how most of our food is delivered to community partners. Food is delivered via our four warehouse locations and on some occasions directly via our haulage partners to larger charities
2. **Collection of food from our warehouses** – for those community partners that have the resources to collect food from our sites, this enables us to support more organisations with our own fleet and team of staff and volunteer drivers
3. **Community distribution** - large volumes of food are delivered (usually the equivalent of approximately 2,000 meals) and distributed to families who are ready to receive the food and take it straight home
4. **Green Scheme** – our operation in Central London and Canary Wharf has electric vans, walking routes and cycling routes that collect smaller amounts of food and deliver then hyper-locally

In 2023 our Park Royal operation moved to be hosted by one of our major food suppliers. Ocado Retail Limited have been incredible supporters of the charity with surplus food, volunteer time, PR support, funding and now this very generous support through warehouse space in West London. A huge thanks to them for this incredible partnership.

Special thanks go to our partner Amazon who continues to support our operations with vans and drivers when demand for our services peaks as well as throughout the year for business as usual.

Health and Safety

Health & Safety continues to be a primary focus across all activities at The Felix Project. We have continued to roll out staff training across the depots and have continued to develop more robust reporting tools and practices.

Technology

We have continued our technical consolidation of external applications into our Microsoft Dynamics environment. One of the largest projects we undertook was to implement the Volunteer Management and Engagement module to support the team managing the volunteers. This went live in Q4. We also implemented a proof-of-concept module in Dynamics to support ad hoc food offers in the Green Scheme. This uses technology to connect the supplier with the charitable organisation and bypass the need for warehouse space, drivers, volunteers etc and uses technology to automate the process. We will expand the use of this during 2024.

As part of our continued improvements in the business intelligence space, we worked on a number of critical business dashboards to help analyse areas of the business and provide qualitative data to support business decisions.

With the ever-continuing risk from external threats from bad actors, we created a Security Council where we implemented a number of areas to ensure a proactive approach to security and compliance, including document classification and policies to support data retention. We also conducted and passed a penetration test on our web site.

Volunteering

Our volunteers contribute so much to the work of the charity, and we are forever grateful for this. Last year volunteers dedicated 181,250 hours (vs 144,603 in 2022) across our operations. Applications have remained stable despite the external changes and a general decline reported in volunteering across the UK. During the year we saw a massive increase in the number of group volunteering requests focussing on our Kitchen and Poplar site.

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FOR THE YEAR ENDED 31 DECEMBER 2023

We introduced a group charging model to increase the security of group volunteering bookings, as our experience of non-attendance was having a negative effect on our ability to deliver our agreed targets and operations.

The team's focus has been collaborating with local communities and organisations to profile the work of the charity and generate interest in volunteering.

This year for the first time we worked in partnership with a farmer in Kent. With the support of our volunteers, we rescued 170 tonnes of fruit directly from the trees.

The implementation of the new Volunteer management platform brought about several challenges and frustrations for our staff and volunteer team. We continue to work through these and learn the lessons for future technical programmes.

Staff

Our establishment saw a steady increase during 2023 enabling the charity to invest in resources to support the delivery of our operations and organisational objectives. At the end of the year, we had a total of 179 staff (vs 158 in 2022) on permanent, fixed term and casual contracts.

The health and well-being of our staff teams is central to our ability to operate effectively and provide a service to our community organisations. We have invested in an employee assistance programme, giving our staff access to a platform offering a wealth of information and advice on well-being issues. Within this, staff can access counselling and advice from registered doctors.

We have ambitious plans to support us to be 'London's best loved charity', listening and responding to the voices of our staff teams. We saw an overall increase in the completion rate of our staff engagement survey up from 68% in 2022 to 86% in 2023. Staff provided us with direct feedback and suggestions about the things that matter most to them. We are committed to using their feedback as we build our action plan for 2024 and beyond. Some of the results of the survey were:

- On a scale of 1 to 10, with 10 being extremely likely, how likely is it that you would recommend Felix as a place to work? In 2022, **56%** of staff rated 8-10 vs **75.45%** in 2023, *almost a 20% increase in 12 months*.
- On a scale of 1 to 10, with 10 being excellent, how would you rate your work-life balance? In 2022, **41%** of staff rated 8-10 vs **48.39%** in 2023.
- On a scale of 1 to 10, 10 being extremely satisfied, how satisfied are you with the benefits (e.g. holiday, flexible working, pension) you receive from The Felix Project? In 2022, **30%** of staff rated 8-10 vs **46.88%** in 2023.
- Do you feel valued at work? In 2022, **84%** of staff rated yes, to some extent or yes absolutely vs **89.68%** in 2023.
- Do you feel like the management team is transparent? In 2022, **66%** of staff rated yes, to some extent or yes absolutely vs **85.16%** in 2023, almost a 20% increase.

We celebrated our achievement as a recognised accredited London Living Wage (LLW) employer, in line with our equity, diversity, inclusion & belonging (EDIB) objectives. We will ensure that our hourly pay is in line with or greater than the nationally agreed LLW.

Despite some of the challenges we faced with our Learning Management System we have, through our new Learning and Development Advisor, signed up to a new platform, giving our staff access to mandatory and other learning modules to enhance their learning and development. This will very much provide the foundations, alongside investment within the training budget, for our new Performance Management framework.

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The new Employability Manager joined our team and will take forward our strategy to embed employability across the charity, utilising funding from key external partners.

We are committed to ensuring that our policies and procedures are in line with best practice and employment legislation. In line with this we have introduced new policies and supported and developed our managers to effectively understand and use these on the ground.

Our Fundraising

In 2023 we raised £12,880,736 - an exceptional achievement in a highly challenging market where so many charities are in desperate need of money. We are eternally grateful to our partners and donors who have stood side by side with us, funding £12,844,593 of operational expenditure.

Our strategy focused on elevating our brand awareness, investing in talented new staff to build understanding of our purpose and mission, and establishing motivating need to give food, volunteering time, and funds. It is with thanks to The Evening Standard, Wharf Life, Landsec, JC Decaux, Pearl and Dean, The Maverick Group and Premier Comms that we have been able to increase our prompted brand awareness from 14.1% to 18.5% and consideration to give from 51.4% to 62.9%.

We have been privileged to secure support from the King Charles III Charitable Fund, with His Majesty kindly visiting our Poplar depot and kitchen in February 2023. Subsequently, we have been named a beneficiary partner of the Coronation Food Project, inspired by His Majesty.

In May, The Felix Project in partnership with the Mayor's Fund for London was awarded £2M by the Greater London Authority as part of a wider investment of £3.1M to help deliver around 7 million meals to children from low-income families, helping parents and carers feed their children during the school holidays.

The charity has received outstanding grant support from the Julia and Hans Rausing Trust, BBC Children in Need, Comic Relief, the Garfield Weston Foundation, the Betty Messenger Charitable Trust, the Chellaram Foundation, the Pears Foundation, The Linbury Trust, the City Bridge Foundation, The Tresanton Trust and many more.

With support from Mission 44, we have worked with young people to co-design a volunteering programme which we hope will encourage their peers from underserved communities to join Felix's community.

Thanks to the support from the National Lottery Community Fund, we were able to commission research on our social impact and work with a consultant to define our impact measurement and evaluation strategy.

Volunteering and funding go hand in hand at Felix, for which we are enormously grateful. Our operation is powered, in part, by our corporate partners and donors. We extend our sincerest gratitude to Morgan Stanley for their partnership support. Over 4,500 of their staff gave their time at our Poplar depot and Felix's Kitchen to help fund and run our operation. Thanks also to Ocado Retail Limited for funding and the gift of premises; to Sainsbury's for their donation through the 'Evening Standard Winter Survival Appeal'. Thanks also to Jera Global, Bloomberg, and The Clarkson Foundation for significant funding that has allowed us to deliver 2.9 meals for every £1 gifted.

We were overwhelmed by the kindness of the general public, our major donors, trustees, and other partners who, as part of our Winter Emergency Empty Plate Appeal, raised over £500,000 in the last quarter of 2023. A substantial part of this funding was generated through our participation in the Big Give Christmas Challenge, with significant support from The Childhood Trust. We have achieved all of this with a spirit of togetherness, all with a shared commitment and passion to fight hunger in London.

The Income Generation and Marketing team has increased in size to drive this income growth. Our focus has been to establish strategic partnerships; helping businesses, funders, and individuals to meet their

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organisational and personal goals for social fairness and to contribute to saving our planet from climate change.

It is important for the charity to grow long term sustainable income streams. We are seeking to build our individual giving and legacy programmes. Alongside this, we're striving to offer an increased portfolio of challenge and mass participation events, which included the launch of our first Santa Stair Climb hosted in One Canada Square, the third-tallest building in the UK which is owned and managed by the Canary Wharf Group, a pivotal partner of the charity.

With growth in staff resources and campaigns, we have ensured thorough due diligence in contracts and compliance with the fundraising codes of practice. We are registered with the Fundraising Regulator. We have refreshed our gift acceptance and refusal policy. During 2023 we received a handful of complaints, typically related to challenge event queries. In 2024 we are aiming to streamline our income processes, automating uploads into our CRM.

We say it day in day out: it is only with the support of our partners, donors, and statutory funders that The Felix Project can serve London's community experiencing food insecurity.

Our Impact Journey in 2023

In 2023, we continued our ongoing focus on measuring, understanding, and improving the difference we are making in our fight to tackle the environmental problem of food waste and the social problem of food insecurity. Building on the work that was carried out in 2022, we have moved through the following additional stages:

STAGE ONE: Refining Theory of Change & Impact Measurement Framework (January-April)

- We refined the Theory of Change and Impact Indicators originally developed in 2022;
- This was done in order better to reflect both our operations on the ground and our vision for a London where no good food is wasted, and no one goes hungry;

STAGE TWO: Creating specific Impact Policies (April-June)

- We created an Impact Strategy and a Research & Evaluation Policy;
- Both documents emphasise a 'one-organisation' approach, whereby different teams within Felix take a consistent approach to monitoring and evaluating projects, as well as committing to understanding our work through impact data.

STAGE THREE: Gathering richer data (June-November)

- We commissioned an external consultant to conduct in-depth interviews with a wide range of our community organisations;
- We carried out our first Impact Survey of community organisations, receiving an excellent response rate (66%);
- These responses were used to create a bespoke dashboard, which are now being used to inform operational and strategic decision-making.
- At the same time, the Community and IT Teams have worked together to create a Community Portal, which holds a greater level of granular data on community organisations and will also be used to inform decision making.
- We also supported the volunteer, HR, Kitchen, and Supply teams to gather data that helps us to understand our impact in different areas of the organisation.

STAGE FOUR: Telling the story of our Impact (December)

- We changed the stylistic approach of our annual Impact Report and brought forward publication to mid-January.

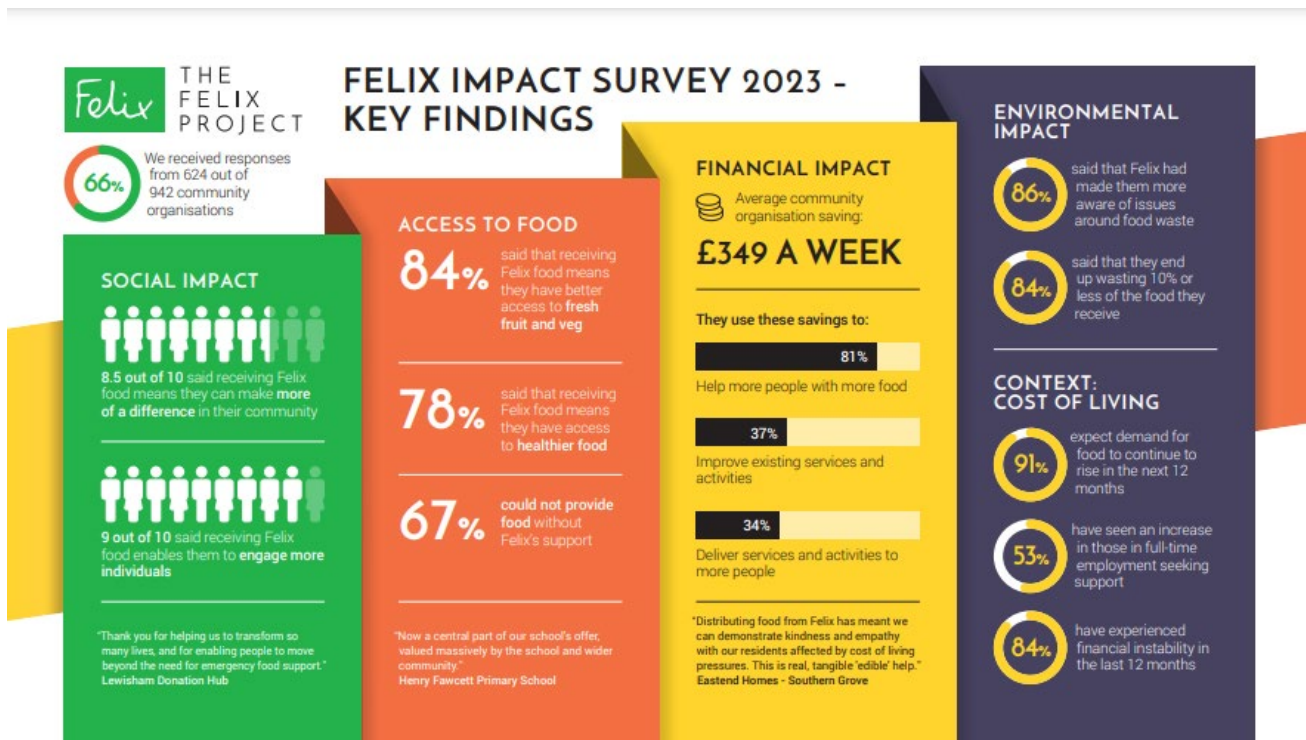
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The next phase of our impact work will be to use the knowledge we have gained from the data we have gathered to make decisions that will maximise the difference we are able to make in the years ahead. To do this, we will continue to monitor and evaluate our work and will repeat the following evaluations in 2024:

- CO Impact Survey (September)
- Supplier Impact Survey (September)
- Volunteer Survey (November)
- Staff Survey (November)
- Felix's kitchen meals



There are also several new projects being launched in 2024, which we will evaluate:

- Warehouse Employability pilot (from February)
- Multibank Project pilot (from March)
- Kitchen Employability project (from July)

By the end of 2024, we will have been able to use this huge range of data to embed an evidence-based approach to decision making, focused on efficacy and impact against our key indicators, as outlined in our Theory of Change and Impact Measurement Framework. We will also be developing the 'Education and wider influence' section of our Theory of Change. We have appointed a new Impact, Reporting and Evaluation Manager who will help us to achieve this.

We continue to aspire to:

- Understand whether we are having a genuine, lasting impact on London, Londoners and the environment;
- Own the data that funders and supporters ask us for;
- Understand the difference we are *truly making*, as opposed to the difference we *hope* we are making;
- Collaborate with partners in order to increase our impact;
- Share our unique perspective, using the insight and understanding of our work and our reach in communities;
- Employ a consistent 'one-organisation' approach across The Felix Project.

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Equity, Diversity, Inclusion & Belonging

The Felix Project received a donation from One Trust to support the organisation to invest in equity, diversity, inclusion & belonging (EDIB) initiatives. In 2023, this funding was used to enlist the support of Social Justice Collective (SJC) – an expert EDIB consultancy – to conduct an analysis of Felix's policies and processes. SJC set up focus groups and interviews with staff to gain insight into their experiences, alongside using staff and volunteer survey data.

Throughout the year, EDIB principles were embedded in Felix's wider strategy to foster a culture where staff and volunteers feel valued and feel a sense of belonging. Our EDIB Working Group, sponsored by Charlotte Hill, Felix's CEO, is an established forum and attended by senior management, staff, and volunteers. In 2023 the following have been achieved:

- Raising the profile of EDIB through awareness sessions and talks for staff and volunteers.
- Becoming an accredited London Living Wage Employer.
- Becoming a Disability Confident Committed organisation.
- Ensuring site-accessibility is a priority (the West London depot moved to a wheelchair accessible site).
- Creating designated prayer spaces for staff and volunteers at all sites.
- Continuing to collect and analyse data to understand the diversity of our volunteering population.
- Collating data to understand what our gender pay gap is.
- Commissioning an EDIB analysis to develop a data-informed road map for Felix's EDIB journey.
- Allocating a budget to EDIB and dedicated resource via a new EDIB Lead role.

Additionally, as a response to interest across the organisation, we reported on our gender pay gap for the first time. We recognise this is not a level requirement for us due to size (under 250 staff) however gender equality and removing gender pay gaps are important components on our EDIB journey.

Our gender pay gap is 11.6% in favour of women. According to the Office for National Statistics across the UK in 2023 full-time employees hourly pay for women was 7.7.% less than their male counterparts, and across the charity the sector even higher at 10.3%. A significant factor for The Felix project is the diversity of our Senior Leadership team, with several positions held by women.

The year 2023 not only strengthened Felix's pre-existing EDIB foundations, but paved the way for an EDIB strategy that aims to invest in and foster diverse and happy teams. Using this roadmap, we aim to make Felix a place where all staff and volunteers feel a sense of inclusion and belonging in our mission to fight food waste and hunger in London.

Environmental Sustainability

We continue to measure our carbon footprint and last year we worked with partners to start to understand in more detail the work we can do across the organisation to decarbonise, where practical and possible. We are excited that this work is coming to fruition, and we look forward to reporting on progress in next year's report.

2024 and beyond

It feels like each year when we reflect on the year we are leaving, there has been some sort of crisis that has impacted on vulnerable Londoner's ability to put food on the table – and 2023 was no different with the real impact of the cost-of-living crisis being felt by so many. This year we have seen an increase in those in-work Londoners who are experiencing food insecurity for the first time, as the cost of so many other elements of their life increases, and food is the only elastic part of their outgoings. So, as we look to 2024 and beyond, we have to remain hopeful that things might get easier for both the community organisations we support with

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food, who are seeing a real pinch in terms of increased costs alongside increased demand, as well as the communities they support.

Both National and London elections will take place in 2024. These provide an opportunity for us to raise both regionally and nationally the various levers that can be pulled to ensure we move towards our vision of a London where no one goes hungry and good food is never wasted. At the age of 8 years old, the Felix Project is building a body of evidence and a voice that we believe we can start to use to drive impact in ways beyond the redistribution of surplus food alone.

In 2024, we know that we will be moving depots in South London, and with the support of His Majesty the King, will be opening our South London Coronation Food Hub with both a new depot and also a processing unit to allow us to accept more surplus gluts from the farmgate and turn them into things such as soups and sauces with longer life. We will also be refreshing our strategy this year and looking at the impact we want to have as an organisation from 2025, alongside refreshing our organisational values. Environmental sustainability and our commitment to equity, diversity, inclusion and belonging will remain core foundations of our work. We continue to look at innovative solutions to rescue more surplus and deliver to community organisations, support individuals - especially the vulnerable, and those that are having to choose between heating or eating. Our determination and resolve to redistribute as much surplus food as possible to community organisations across London remains, as does our vision of a London where no one goes hungry and good food is never wasted.

Financial Review

Income in 2023 was £12.9m (2022: £7.6m). Expenditure was £12.8m (2022: £9.8m), resulting in a surplus of £36k (2022: deficit £2.2m) and a net asset value of £10.9m (2022: £10.9m). Our operating surplus incorporates our ambitious investment plans to deliver on our strategy and support implementation of the 'brilliant basics' as well as the impact of rising prices during 2023.

Summary of Income and Expenditure

Expenditure grew in 2023 from £9.8m to £12.8m. This represents the growth which started in 2021, notably the Poplar (East London) depot and Felix's Kitchen, as well as key investments to ensure we can sustain ambitious future plans. Key expenditure items in 2023 included:

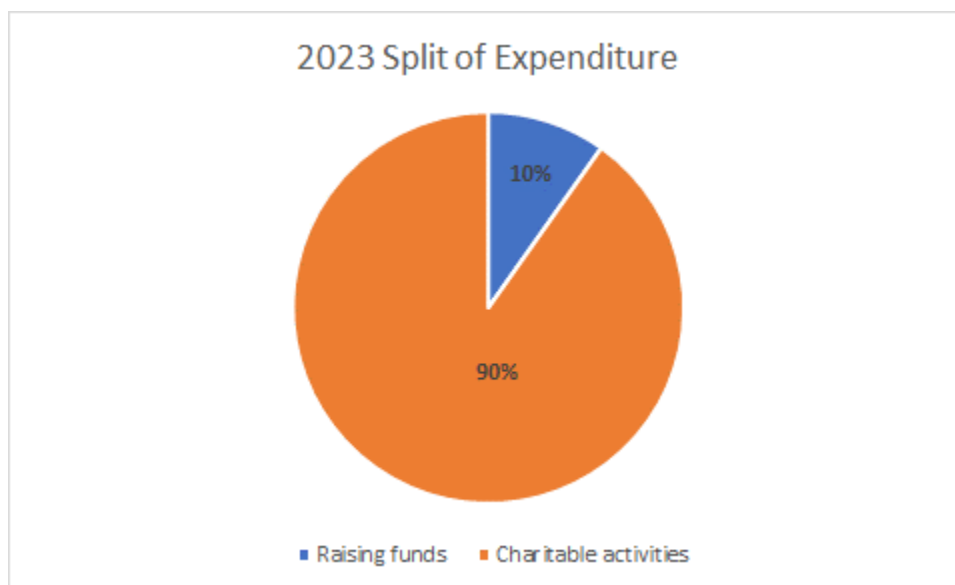
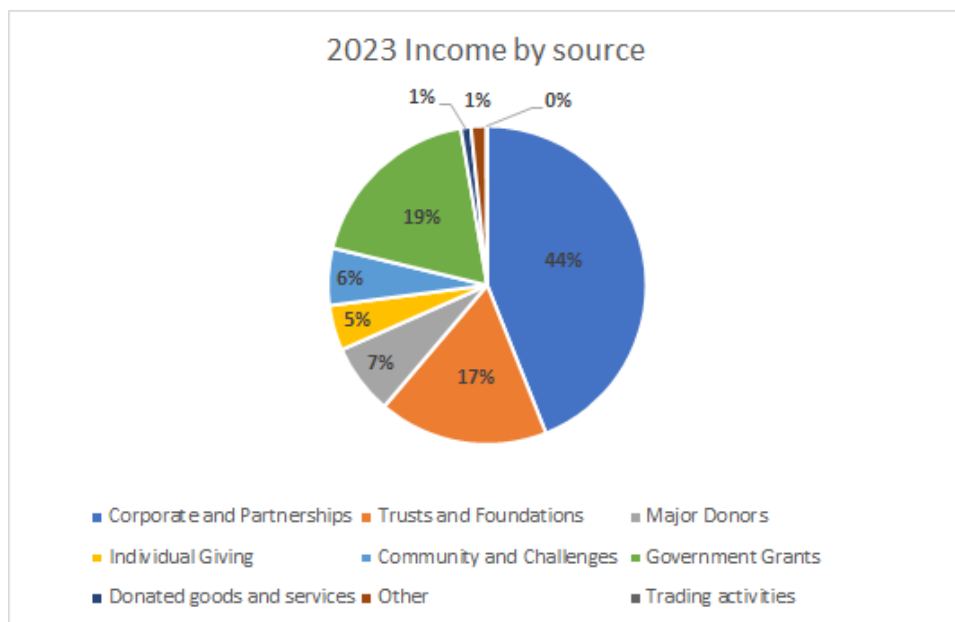
- Distribution of Freezers as part of the Community Freezer Project (costs £750k higher in 2023)
- Increase in average staff numbers from 143 in 2022 to 167 for 2023 (this with other staff increases including our commitment to being a London Living Wage employer has accounted for a year on year uplift of £1.07m).
- Increase in food collection costs due to taking on additional suppliers, the impact of the HGV and fuel crisis and general inflation (costs £120k higher in 2023).
- Increase in operating costs for the charity's depots including a rent review at Deptford and the impact of maintenance and repairs of organisational assets which have seen higher utilisation (costs £260k higher in 2023)
- The impact of food cost inflation which according to official figures from the Office of National Statistics (ONS) did reach as high as 19.2% in March 2023.

We strive to keep our costs low whilst delivering a high-quality service, maximising the funds donated and, where possible and appropriate, using volunteer and donated services.

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Reserves

There has been much change at The Felix Project following a period of exceptional growth during the pandemic which saw us move to an operation that now spans four depots, the Felix Kitchen, and the Green Scheme, delivering 32 million meals to community organisations supporting Londoners most in need. This growth led to a Strategic refresh conducted at the beginning of 2022 focusing on ensuring The Felix Project was fit for purpose given the changes in the world around us, a context which continues to change in the light of more recent events. We have focused on understanding our impact as an organisation and ensuring we invest in the foundations for future sustainable operation. This has resulted in a far larger and more sophisticated organisation which will continue to adapt. The kitchen is now an integral part of the solution to food redistribution and our continued success necessitates robust ongoing health & safety management, employee training and of course, income generation.

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The following reserves policy reflects these changes and future demands.

Reserves Policy

The Trustees have determined that, in order to ensure that sufficient funds are available to mitigate the cost of our principal risks, should they arise and also to cover the orderly wind up of the charity should it be needed, the level of free reserves should be held at a minimum of 6 months budgeted unrestricted expenditure. Based on the 2024 budget this is expected to be just over £5.6m.

In line with this policy the charity's general fund for business continuity (unrestricted general fund) as of 31 December 2023 is £6.5m (2022: £5.5m).

As the running of the Charity has expanded and we are in a cycle of continuous improvement rather than rapid growth the Trustees have taken the decision to continue to designate only the remaining book value of fixed assets.

The capital committed under fixed assets included in designated funds is £2.5m at the year-end (2022: £2.8m).

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REFERENCE AND ADMINISTRATIVE INFORMATION

The Charity is a company limited by guarantee (registered with Companies House under number 10068253) and registered with the Charity Commission under number 1168183.

Trustees

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

Gavin Darby (Chair, Operations committee until July 2023; Chair, Fundraising Committee from July 2023)

Jane Byam Shaw OBE

Justin Byam Shaw OBE (Chair, Fundraising Committee until July 2023)

David Hudd

Michael Millership

Asi Panditharatna MBE

Ben Salama (Chair, Operations Committee from July 2023)

Cath Thorpe (Chair, People Committee)

Francesco Vanni d'Archirafi

Julian Wakeham (Chair, Finance Committee)

Karin Woodley CBE

Senior management Charlotte Hill OBE – Chief Executive
Shane Dorsett – Chief Operating Officer
Simon Hawkins – Interim Director of Finance from August 2023
Sue Melly – Director of Finance (on sabbatical from August 2023)
Tanya Mitchell – Director of Income Generation and Marketing
Bernadette Thomas – Director of People and Culture

Registered office c/o Sayer Vincent LLP
110 Golden Lane
London EC1Y 0TL

Auditor Sayer Vincent LLP
110 Golden Lane
London EC1Y 0TG

Banker National Westminster Bank plc
1 Abbey Road
Park Royal
London NW10 7YQ

Solicitor Hogan Lovells
Atlantic House
Holborn Viaduct
London EC1A 2FG

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STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, incorporated in the UK, and registered as a charity. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed by its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

Governance

In accordance with the Articles of Association, Trustees are appointed to the Board by resolution of the Trustees. Trustees will serve until the board meeting following the third anniversary of their appointment but may stand for re-election according to the procedures laid out in the Articles of Association.

Prior to appointment, a prospective Trustee is invited to attend a meeting of the Board, as an observer, before confirming his or her willingness, or otherwise, to stand for election. Once appointed, each new Trustee is issued with copies of the Charity's governing document, the latest financial statements and the Charity Commission's publication "The Essential Trustee: what you need to know". The Chief Executive Officer also offers an induction meeting with each new Trustee shortly after appointment.

Given the nature of the Charity's work, the Trustees seek to maintain a broad range of skills on the Board. Essential skills in business, finance and fundraising are represented on the Board, as well as experience of volunteering; several Trustees volunteer regularly and two Trustees are appointed to represent the volunteer workforce.

In their professional lives, some Trustees have received training in relevant areas, such as corporate governance and finance, and some are also experienced charity trustees with relevant training from other organisations on whose boards they serve. Additional training is provided as required.

All Trustees give their time voluntarily and have received no benefits from the Charity. No personal expenses were reclaimed from the Charity during the period.

At the end of 2023 we began the process of looking for several new Trustees to join our Board. Working with Saxton Bampfylde we were successful in recruiting four new Trustees, who will officially join our Board from 25th April 2024. The four new Trustees bring a wealth of experience to The Felix Project from across the food industry, property management, technology, operations, logistics, and London networks. The board and senior leadership team are delighted to welcome:

Matt Birch is the UK Country Manager, Grocery, Amazon. He previously worked as a Trading Executive at Central England Co-operative and prior to that at Sainsburys for 10 years, including as the Director of Commercial Operations and the Director of Retail and Property.

Paul Drechsler is the current Chairman of the International Chamber of Commerce. He has extensive experience on various Boards including non-Exec Director of Greencore plc and the Chairman of BusinessLDN / London First.

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Adam Park is the CEO of HelloFresh UK. He previously worked at Boston Consulting Group for 9 years, where he specialised in strategy definition and driving transformation at pace.

Full Trustee meetings are planned for the 4th week of the start of each new quarter (April, July, October, January) with an additional end of year meeting in December. The senior leadership team prepare quarterly performance management reports, other key information and updates that will have been reviewed and discussed at the relevant sub-committee in the weeks before the full board meeting. Other board meeting agendas are determined with at least 50% of board meeting time focused on forward-looking projects, programmes of work and strategic direction.

To provide mechanisms for more robust review, scrutiny, and development of plans across all areas of the charity the Board has four sub-committees for finance, fundraising, operations, and people. The subcommittees address strategic and significant decisions, reviewing the management of major risks and making recommendations to the quarterly board meetings.

In addition to these subcommittees, the Tech steering group, the security council, the Marketing and communications group and the Volunteer Voice groups all meet on a regular basis and act as advisory groups. These groups incorporate the input of important stakeholders beyond the members of the board and have been successful in overseeing and co-ordinating practical initiatives across the organisation. We have also introduced local Health & Safety meetings at each depot to give staff and volunteers the opportunity to raise any concerns or opportunities for improvement and share best practice. These then feed into a quarterly H&S meeting with some of the senior leaders from across the organisation to ensure continuous improvement around our organisational commitment to safety.

Management

The Trustees are responsible for the strategic direction and policy of The Felix Project and met five times in 2023. Responsibility for the day-to-day management of the Charity's operations and delivery of its services were delegated to the Chief Executive Officer. The senior leadership comprised the Chief Operations Officer, Director of Finance, Director of Income Generation and Marketing and Director of People & Culture. An extended senior leadership team includes the Heads of Technology and Felix Central Services.

It is essential for the success of The Felix Project (and therefore in the best interests of its beneficiaries) that its key management personnel offer an appropriate blend of skills and experience, in-depth knowledge and experience of distribution, business development and operational growth, acquired through having worked extensively in relevant sectors. In setting the remuneration of the Chief Executive Officer, the Trustees' policy is to balance remuneration levels of Chief Executive Officers of London-based charities of equivalent size and complexity, with those of Chief Executive Officers/Senior Leaders from relevant industry sectors.

The Felix Project has a wholly owned trading subsidiary, The Felix Project Trading Company Limited, through which all trading activity is accounted for. The intention is that all profits made in the trading subsidiary are donated in full to The Felix Project. No staff are employed by the trading subsidiary. The results of the subsidiary are consolidated on a line-by-line basis.

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RISK MANAGEMENT

The Trustees are accountable for the strategic management of risks faced by the Charity, delegating responsibility for the day-to-day management and mitigation of identified risks to the Senior Leadership Team, which formally reports regularly to the Trustees and brings to their attention any significant increases in risks, should they arise. Whilst it is accepted that the Charity's risk management strategies cannot offer absolute assurance against all forms of loss or damage, the Trustees are satisfied that the measures deployed mitigate exposure to the most significant risks to the Charity. The Trustees review the Charity's strategic risks regularly to identify new and additional risks and to implement of measure to mitigate risks. They are satisfied those systems are in place to mitigate exposure to all major risks.

Principal Risks

As part of the ongoing assessment of our strategic risks, and following the initial three year strategic planning exercise that was undertaken in 2019, the Executive Leadership Team and Board redefined and updated the charity risk management strategy. The primary strategic risks are categorised as follows:

Sustainability of (Fundraising) Income Growth: The growth of fundraising income may not be sustainable in the medium to long term. Impact of not achieving growth in financial plan may result in a breach of reserves policy.

Insufficient Food Supply: The growth of food supply may not meet demand. This may have the impact of not being able to achieve our strategic goals, serve to our charity and community partners and lose credibility and adverse PR.

Breach of Health and Safety (Including Food Standards) policy; If we experience a serious health and safety breach in our operations. Impact could be significantly damaging PR, loss of life or injury, criminal investigation and /or regulatory action

People: Any adverse relationship between volunteer and staff may have a negative impact on the charity. People relations (employees and volunteers) through a time of organisational growth & development may impact on our ability to achieve our objectives.

Insufficient Food Re-distribution: Any failure of the charity to develop the core capability to grow food re-distribution to meet demand. Impact on our PR and credibility and failure to achieve our core Mission and strategic objectives

Cyber attacks, Data Loss or breach and/or Inaccuracy; Our technology systems and processes & procedures result in serious data privacy loss or breach or we experience key insights inefficiencies. PR or other damage to the charity including regulatory reprimand or fine and complaints. Cost of time and performance due to poor systems or technology.

Brand & Reputation; A general other serious impact on our Brand and PR due to actions of individuals and/or organisational failure (e.g. negative news story or social media action). Impact could result in reduced funding, loss of donors and supporters, volunteers, or other stakeholders.

Relationship and association based PR; Reputational damage from external sources and/or relationships with supports or partners can results in loss of support, partners and/or donors.

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INVESTMENT POLICY

The Charity had no investments in 2023 other than term treasury deposits with two banks which are used to hold cash not immediately needed for operational requirements.

RELATED PARTIES

In 2023 there were no issues of conflicts of interest or inappropriate appointments of related parties.

DISCLOSURE OF INFORMATION TO AUDITORS

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 each taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

AUDITORS

Sayer Vincent were re-appointed as auditors during the year.

On behalf of the board of Trustees

Mr Gavin Darby

Chair of the Board of Trustees

Dated: 25 April 2024

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF TRUSTEES' RESPONSIBILITIES**

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees, who are also the directors of The Felix Project for the purpose of company law, are responsible for preparing the Trustees' annual 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 charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the group 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;
- state whether applicable UK Accounting Standards and statements of recommended practice 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 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 charitable company and group 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
- 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

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 preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2023 was 12 (2022: 12). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

THE FELIX PROJECT (A COMPANY LIMITED BY GUARANTEE) INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE FELIX PROJECT

Independent auditor's report to the members of The Felix Project

Opinion

We have audited the financial statements of The Felix Project (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2023 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows 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 FRS 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 group's and of the parent charitable company's affairs as at 31 December 2023 and of the group's 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
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

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 group financial statements section of our report. We are independent of the group and parent 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 Felix Project's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other Information

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the group 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 group financial statements does not cover the other information, and, except to the extent otherwise explicitly stated in our

THE FELIX PROJECT (A COMPANY LIMITED BY GUARANTEE) INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE FELIX PROJECT

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 group 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 group 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 the audit:

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic report, has 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 group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

THE FELIX PROJECT (A COMPANY LIMITED BY GUARANTEE) INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE FELIX PROJECT

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF THE FELIX PROJECT

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

Joanna Pittman (Senior statutory auditor)
Date: 25 June 2024
for and on behalf of Sayer Vincent LLP, Statutory Auditor
110 Golden Lane, LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

THE FELIX PROJECT

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted Funds £	Restricted Funds: Community Freezer Project £	Restricted Funds: All Other Funds £	Total 2023 £	Total 2022 £
Income and Endowments from:						
Donations and Grants Receivable	3	7,265,785	150,000	5,254,136	12,669,921	7,422,716
Income from other trading activities	4	9,792	-	-	9,792	147,518
Investment Income	5	172,484	-	-	172,484	25,053
Other Income	5	28,539	-	-	28,539	39,560
Total income		7,476,600	150,000	5,254,136	12,880,736	7,634,848
Expenditure on:						
Raising funds	6	1,259,979	-	-	1,259,979	867,811
Charitable activities	7	6,064,124	912,048	4,608,442	11,584,614	8,958,840
Total resources expended		7,324,103	912,048	4,608,442	12,844,593	9,826,651
Net (outgoing) / incoming resources before transfers		152,497	(762,048)	645,494	36,143	(2,191,803)
Gross transfers between funds	20	534,737	-	(534,737)	-	-
Net income for the year / Net movement in funds		687,234	(762,048)	110,957	36,143	(2,191,803)
Fund balances at 1 January		8,298,691	950,516	1,601,640	10,850,847	13,042,650
Fund balances at 31 December		8,985,925	188,468	1,712,597	10,886,990	10,850,847

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 complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE FELIX PROJECT

CONSOLIDATED AND CHARITY BALANCE SHEET

AS AT 31 DECEMBER 2023

Consolidated and Charity Balance Sheets
As at 31 December 2023

	Notes	Consolidated 2023		Consolidated 2022		Charity 2023		Charity 2022	
		£	£	£	£	£	£	£	£
Fixed assets									
Intangible assets	12		50,487		153,338		50,487		153,338
Tangible assets	13		2,454,555		2,679,597		2,454,555		2,679,597
Investment in Subsidiary	14		-		-		1		1
			<u>2,505,042</u>		<u>2,832,935</u>		<u>2,505,043</u>		<u>2,832,936</u>
Current assets									
Debtors	15	1,546,334		2,103,941		1,547,566		2,105,364	
Cash at bank and in hand		11,272,503		7,225,681		11,263,096		7,058,825	
			<u>12,818,837</u>		<u>9,329,622</u>		<u>12,810,662</u>		<u>9,164,189</u>
Creditors: amounts falling due within one year									
	16	(4,047,707)		(922,913)		(4,043,665)		(887,438)	
			<u>8,771,130</u>		<u>8,406,709</u>		<u>8,766,997</u>		<u>8,276,751</u>
Total assets less current liabilities									
			<u>11,276,172</u>		<u>11,239,644</u>		<u>11,272,040</u>		<u>11,109,686</u>
Creditors: amounts falling due after more than one year									
	17	(13,131)		(34,697)		(13,131)		(34,697)	
Provision for other liabilities	18	(376,051)		(354,100)		(376,051)		(354,100)	
Total assets less liabilities									
			<u><u>10,886,990</u></u>		<u><u>10,850,847</u></u>		<u><u>10,882,858</u></u>		<u><u>10,720,889</u></u>
Income funds									
Restricted funds	20		1,901,065		2,552,156		1,901,065		2,552,156
Unrestricted funds									
General funds			6,480,883		5,465,756		6,476,751		5,335,798
Designated funds	21		2,505,042		2,832,935		2,505,042		2,832,935
			<u>8,985,925</u>		<u>8,298,691</u>		<u>8,981,793</u>		<u>8,168,733</u>
			<u><u>10,886,990</u></u>		<u><u>10,850,847</u></u>		<u><u>10,882,858</u></u>		<u><u>10,720,889</u></u>

The financial statements were approved by the Board of Trustees on 25 April 2024.

Gavin Darby
Chair of the Board of Trustees
Company Registration No. 10068253

THE FELIX PROJECT

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 31 DECEMBER 2023

Consolidated cash flow statement For the period to 31 December 2023

Cash flows from operating activities		2023	2022
		£	£
Net cash provided by / (used by) operating activities	A	4,464,668	(588,188)
Cash flows from investing activities			
Purchase of fixed assets		(594,413)	(1,258,280)
Disposal of fixed assets		4,083	2,285
Bank interest income		172,484	25,053
Change in cash and cash equivalents in the year		<u>4,046,822</u>	<u>(1,819,130)</u>
Cash and cash equivalents as at 1 January		<u>7,225,681</u>	<u>9,044,811</u>
Cash and cash equivalents as at 31 December		<u><u>11,272,503</u></u>	<u><u>7,225,681</u></u>

A – Reconciliation of net movement in funds to net cash provided by / (used by) operating activities

	2023	2022
	£	£
Net movement in funds (as per the Statement of Financial Activities)	36,143	(2,191,803)
Adjustments for:		
Fixed asset gift in kind income	(3,819)	(4,572)
Depreciation and fixed asset impairment charges	902,456	726,031
Loss / (Gain) on disposal of fixed assets	19,587	(928)
Bank interest income	(172,484)	(25,053)
Decrease in debtors	557,607	762,398
Increase in creditors	3,125,178	145,740
Net cash provided by / (used by) operating activities	<u>4,464,668</u>	<u>(588,188)</u>

B – Analysis of changes in net debt

	Cash and Cash Equivalents	Finance Leases	Total
Net (debt) as at 31 December 2022	7,225,681	(55,254)	7,170,427
Cash flows	4,046,822	-	4,046,822
Lease principal falling due	-	20,557	20,557
Net (debt) as at 31 December 2023	<u>11,272,503</u>	<u>(34,697)</u>	<u>11,237,806</u>

THE FELIX PROJECT

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

The Felix Project is a private company limited by guarantee incorporated in England and Wales. The registered office is c/o Sayer Vincent, 110 Golden Lane, London EC1Y 0TG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, 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) (effective 1 January 2019)". 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 group. Monetary amounts in these financial statements are rounded to the nearest £. The financial statements have been prepared under the historical cost convention. The principal accounting policies are set out below.

1.2 Basis of consolidation

The consolidated financial statements reflect the results and combined financial position of The Felix Project and its subsidiary undertaking The Felix Project Trading Company Limited. As permitted by s408 of the Companies Act 2006, the parent charitable company has not presented its own statement of financial activities (incorporating its income and expenditure account) and related notes.

1.3 Going concern

The Trustees' Report outlines the impact of current events on the charity and the group. The main risks faced by the charity as a result of the health crisis were a shortage of food, volunteers and/or funds. Due to the incredible response from the charity's suppliers, volunteers, and donors, at the time of approving the financial statements, the trustees have a reasonable expectation that the charity and group 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.

1.4 Charitable funds

Unrestricted funds are funds which can be used in accordance with the charitable objects at the discretion of the trustees. Designated funds are funds which have been set aside out of unrestricted funds at the discretion of the trustees to ensure planned growth is sustainable and responsibly funded.

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.

1.5 Incoming resources

Income is recognised when the group 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. All other income is recognised in line with the above.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is Only considered probable when the amount can be measured reliably, and the charity has been notified of the executor's intention to make a distribution.

THE FELIX PROJECT

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 31 DECEMBER 2023

Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

The value of services provided by volunteers has not been included in these financial statements. Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services, and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1.6 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of fundraising.
- Expenditure on charitable activities includes the costs of the delivery of its activities.

Support costs are allocated across the fundraising costs and charitable activity.

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses. Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

- Depot infrastructure and refurbishment 20% straight line
- Equipment and Machinery 20% straight line
- IT Equipment and Software 33% straight line
- Motor vehicles 25% straight line

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.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible 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).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of six months or less.

1.10 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.

THE FELIX PROJECT

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 31 DECEMBER 2023

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.

1.11 Leases

Assets that are held by Company under leases which transfer to the Company substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Company are classified as operating leases.

Finance leases

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss.

Operating leases

Rentals payable under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the life of the lease.

1.12 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.

1.13 Pensions

The charity contributes to a defined contribution pension scheme and contributions for the year are charged in the Statement of Financial Activities as they become due.

THE FELIX PROJECT

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 31 DECEMBER 2023

2 Critical accounting estimates

In the application of the group'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.

Critical accounting estimates made in the year include the valuation of Gifts in Kind and cost provisions.

More detail on the accounting policies in these areas is provided above.

3 Donations and grants receivable

	Consolidated and Charity			Consolidated and Charity		
	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Unrestricted Funds £	Restricted Funds £	Total 2022 £
Fundraising Events	-	-	-	163,164	-	163,164
Corporate and Partnerships	4,123,902	1,541,155	5,665,057	1,488,614	2,143,502	3,632,116
Trusts and Foundations	628,157	1,591,823	2,219,980	850,629	789,133	1,639,762
Government Grants	239,016	2,154,200	2,393,216	35,567	125,294	160,861
Major Donors	920,514	-	920,514	621,549	217,584	839,133
Individual Giving	591,607	1,002	592,609	639,873	-	639,873
Community and Challenges	715,354	31,246	746,600	253,763	-	253,763
Donated goods and services	131,945	-	131,945	94,044	-	94,044
	7,350,495	5,319,426	12,669,921	4,147,203	3,275,513	7,422,716

Included within the Restricted Funds column is £150,000 related to the Community Freezer project (2022 - £1,037,500).

Analysis of Donated goods and services

	2023 £	2022 £
Pro bono legal and professional fees	40,107	6,072
Pro bono rent and parking	36,327	-
Pro bono graphic design services	1,500	-
Van hire, waste disposal and other capital assets donated	51,311	42,972
Advertising and marketing campaign services	2,700	45,000
	131,945	94,044

The charity received / rescued donations of an estimated 13,402 tonnes of food for distribution during 2023, equivalent to an estimated 31.9 million meals (2022 – 12,147 tonnes, 29 million meals).

In addition, 181k hours of volunteer time with an estimated equivalent cost of £1,978k was provided to the charity (2022 – 145k hours, cost £1,609k).

Neither donated food nor volunteer time are recognised in the accounts.

THE FELIX PROJECT

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 31 DECEMBER 2023

4 Income from other trading activity

	Unrestricted Funds £	Restricted Funds £	2023 Total £	Unrestricted Funds £	Restricted Funds £	2022 Total £
Income from other Trading activities	9,792	-	9,792	147,518	-	147,518
	9,792	-	9,792	147,518	-	147,518

5 Other Income

	Unrestricted Funds 2023 £	Unrestricted Funds 2022 £
Gain on disposal of fixed assets	417	928
Property and other recharge income	28,122	38,633
Bank Interest	172,484	25,053
	201,023	64,614

6 Raising Funds

	2023 £	2022 £
Fundraising and publicity		
Staff Costs	732,774	600,105
Other fundraising and publicity expenditure	239,823	95,001
	972,597	695,106
Share of support costs (see Note 8)	283,840	168,151
Share of governance costs (see Note 8)	3,542	4,554
	1,259,979	867,811
Analysis by fund		
Unrestricted funds	1,259,979	867,811
Restricted funds	-	-
	1,259,979	867,811

THE FELIX PROJECT

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 31 DECEMBER 2023

7 Charitable Activities

	2023 £	2022 £
Staff Costs	4,123,755	3,318,578
Other Charitable Expenditure		
- Operations	5,455,406	3,953,484
- Community Distribution	54,737	10,384
- Volunteer Management	18,872	39,016
	9,652,770	7,321,462
Share of support costs (see Note 8)	1,908,035	1,594,216
Share of governance costs (see Note 8)	23,809	43,162
	11,584,614	8,958,840
Analysis by fund		
Unrestricted funds	6,064,124	7,254,070
Restricted funds	5,520,490	1,704,770
	11,584,614	8,958,840

8 Support Costs

	Support Costs £	Governance Costs £	2023 £	Support Costs £	Governance Costs £	2022 £
Staff Costs	1,372,265	-	1,372,265	1,028,523	2,688	1,031,211
Professional fees	259,337	-	259,337	150,003	-	150,003
IT and Communications	254,019	-	254,019	157,163	-	157,163
Audit fees	-	27,333	27,333	-	31,800	31,800
Other support and governance costs	306,254	18	306,272	426,678	13,228	439,906
	2,191,875	27,351	2,219,226	1,762,367	47,716	1,810,083
Share of costs						
Raising Funds (see Note 6)	283,840	3,542	287,382	168,151	4,554	172,705
Charitable Activities (see Note 7)	1,908,035	23,809	1,931,844	1,594,216	43,162	1,637,378
	2,191,875	27,351	2,219,226	1,762,367	47,716	1,810,083

THE FELIX PROJECT

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 31 DECEMBER 2023

9 Consolidated net expenditure / income for the year is stated after charging / (crediting):

	2023 £	2022 £
Depreciation	902,456	726,051
Loss or profit on disposal of fixed assets	19,588	(928)
Interest payable	2,572	3,146
Operating lease rentals payable: Property	890,766	755,632
Operating lease rentals receivable: Property	-	(30,611)
Auditor's remuneration (excluding VAT):		
- Audit current year	23,300	22,000
- Other services	85	10,304

Other services from auditors in 2023 represent the provision of a Registered Office service. In 2022 this represented the provision of payroll services by the previous auditor..

10 Trustees and Related Party Transactions

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

No trustees have claimed expenses during the year. A trustee, David Hudd, provided pro-bono legal work to the charity during 2022 valued at £6,072. There were no related party transactions this year.

Aggregate donations from six trustees were £18,676 in the year (2022 – from two trustees totalling £5,066).

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Raising funds	18	12
Charitable activities	121	111
Support	28	20
	167	143

Employment costs

	2023 £	2022 £
Wages and salaries	5,234,965	4,061,263
Social security costs	528,655	397,735
Other pension costs	227,308	172,553
	5,990,928	4,631,551

THE FELIX PROJECT

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 31 DECEMBER 2023

The Key Management Personnel detailed in the Trustees' report received total employee remuneration in the year of £566,766 (2022 - £467,488).

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2023	2022
£140,001 - £150,000	1	-
£100,001 - £110,000	-	1
£90,001 - £100,000	1	-
£80,001 - £90,000	1	1
£70,001 - £80,000	1	2
£60,001 - £70,000	1	3

12 Intangible Fixed Assets

Cost	Consolidated and Charity IT Software 2023	
	£	£
At 1 January 2023	360,655	360,655
Additions	-	-
Disposals	-	-
At 31 December 2023	<u>360,655</u>	<u>360,655</u>
Depreciation		
At 1 January 2023	207,317	207,317
Depreciation charge for the year	102,851	102,851
At 31 December 2023	<u>310,168</u>	<u>310,168</u>
Total		
At 31 December 2023	<u>50,487</u>	<u>50,487</u>
At 31 December 2022	<u>153,338</u>	<u>153,338</u>

THE FELIX PROJECT

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 31 DECEMBER 2023

13 Tangible Fixed Assets

Cost	Consolidated and Charity					Fixed Assets Under Construction £	2023 £
	Depot Costs £	Vehicles £	IT Equipment £	Equipment and Machinery £	Kitchen Equipment £		
At 1 January							
2023	1,306,241	1,261,507	107,290	1,049,261	226,636	38,340	3,989,275
Additions	156,086	101,689	15,271	57,550	114,791	152,486	597,873
Reclassifications	28,770	480	8,725	725	-	(38,340)	360
Disposals	(98,605)	(37,554)	(11,858)	(41,629)	-	-	(189,646)
At 31 December 2023	1,392,492	1,326,122	119,428	1,065,907	341,427	152,486	4,397,862
Depreciation and Impairment							
At 1 January							
2023	311,430	579,082	62,606	295,072	61,488	-	1,309,678
Depreciation charge for the year	278,877	237,192	32,455	202,244	48,836	-	799,604
Accumulated depreciation on asset disposals	(81,670)	(37,554)	(11,133)	(35,618)	-	-	(165,975)
At 31 December 2023	508,637	778,720	83,928	461,698	110,324	-	1,943,307
Total							
At 31 December 2023	883,855	547,402	35,500	604,209	231,103	152,486	2,454,555
At 31 December 2022	994,811	682,425	44,684	754,189	165,148	38,340	2,679,597

Motor vehicles with a net book value at 31 December 2023 of £24,354 (2022 - £53,579) are held through finance lease arrangements.

14 Investment in Subsidiary (Charity only)

	2023 £	2022 £
Shares in group subsidiary	1	1

The charity holds the entire £1 share capital of its trading subsidiary, The Felix Project Trading Company Limited.

THE FELIX PROJECT

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 31 DECEMBER 2023

15 Debtors

	Consolidated 2023 £	Consolidated 2022 £	Charity 2023 £	Charity 2022 £
Amounts falling due within one year:				
Trade debtors	173,753	365,541	175,353	369,278
Other debtors	315,701	345,904	315,333	348,590
Prepayments and accrued income	1,056,880	1,392,496	1,056,880	1,387,496
	<u>1,546,334</u>	<u>2,103,941</u>	<u>1,547,566</u>	<u>2,105,364</u>

Other debtors include an amount of £Nil (2022 - £136,973) due in more than one year.

The Charity debtors figure contains £1,233 of intercompany debt (2022 - £10,185).

16 Creditors: Amounts falling due within one year

	Consolidated 2023 £	Consolidated 2022 £	Charity 2023 £	Charity 2022 £
Trade creditors	603,756	269,932	603,756	269,932
Other creditors	71,719	80,902	71,752	57,046
PAYE and Social Security	133,487	110,497	133,487	110,497
Accruals and deferred income	3,238,745	461,582	3,234,670	449,963
	<u>4,047,707</u>	<u>922,913</u>	<u>4,043,665</u>	<u>887,438</u>

Other creditors include an amount of £21,566 (2022 - £20,558) being amounts due within a year for finance leases.

17 Creditors: amounts falling due after more than one year

	Consolidated and Charity 2023 £	Consolidated and Charity 2022 £
Finance leases (1 to 5 years)	13,131	34,697
	<u>13,131</u>	<u>34,697</u>

THE FELIX PROJECT

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 31 DECEMBER 2023

18 Provision for other liabilities

	Consolidated and Charity			
	At 1	Additions in Year	Released In Year	Balance at 31
	January			December
	2023	2023	2023	2023
£	£	£	£	
Dilapidations provision	255,000	181,051	(60,000)	376,051
Property and vehicle repairs provision	86,600	-	(86,600)	-
Rent review provision	12,500	-	(12,500)	-
Total	354,100	181,051	(159,100)	376,051

The dilapidations provision represents the Charity's estimated liability for dilapidations on the leases for Deptford, Enfield, Park Royal and Poplar depots.

19 Bank Debenture

A debenture is in place over all assets of the charity to cover liabilities for card facilities, a BACS limit of £300,000 and foreign currency negotiation up to £20,000. At the year-end an amount of £5,740 (2022: £1,778) was owed in respect of the card facilities.

THE FELIX PROJECT

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 31 DECEMBER 2023

20 Restricted funds

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

2023	Consolidated and Charity				
	Movement in funds				
	Balance at 1 January 2023 £	Incoming Resources £	Resources Expended £	Transfers £	Balance at 31 December 2023 £
Equipment / Capital Schools	-	175,942	(79,050)	(87,198)	9,694
Programme	310,521	295,000	(250,498)	(230,000)	125,023
Felix's Kitchen	686,032	586,750	(979,187)	(82,000)	211,595
Transport and Vans New East London Depot	530,000	447,580	(441,235)	(144,384)	391,961
FareShare Funding (General)	13,483	264,418	(240,075)	19,643	57,469
Across Operations Community Freezer Project	2,776	48,500	(48,500)	-	2,776
GLA Funded Projects	58,828	85,346	(88,161)	(3,346)	52,667
Felix Connect	950,516	150,000	(912,048)	-	188,468
FareShare Funding (Health & Safety) Reaching Communities	-	2,154,200	(2,154,200)	-	-
Farm to Freezer	-	19,000	(18,650)	-	350
Totals	-	64,624	(56,718)	(7,452)	454
	-	216,705	(179,101)	-	37,604
	-	896,071	(73,067)	-	823,004
Totals	2,552,156	5,404,136	(5,520,490)	(534,737)	1,901,065

THE FELIX PROJECT

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 31 DECEMBER 2023

2022	Consolidated and Charity				Balance at 31 December 2022 £
	Balance at 1 January 2022 £	Incoming Resources £	Undesignated £	New Designation £	
Equipment / Capital	212	-	(212)	-	-
Schools Programme New East London Depot	78,044	288,000	(55,523)	-	310,521
Transport and Vans	118,340	205,560	(282,359)	(28,058)	13,483
Felix's Kitchen	556,577	80,000	-	(106,577)	530,000
FareShare Funding (General)	951,428	796,234	(961,630)	(100,000)	686,032
Enfield Refurbishment	2,776	48,500	(48,500)	-	2,776
Across Operations	-	512,792	-	(512,792)	-
New depot – WRAP2	70,020	258,371	(269,563)	-	58,828
Community Freezer Project	88,386	48,556	-	(136,942)	-
Totals	-	1,037,500	(86,984)	-	950,516
Totals	1,865,783	3,275,513	(1,704,771)	(884,369)	2,552,156

The transfer between funds amounting to £534,737 represents the value of donations to the charity restricted to the purchase of capital assets.

Once capital assets are purchased the restriction has been complied with, resulting in a transfer of the value of the assets purchased from restricted funds to unrestricted funds.

21 Designated funds

2023	Consolidated and Charity				Balance at 31 December 2023 £
	Balance at 1 January 2023 £	Utilised £	Undesignated £	New Designation £	
Fixed assets	2,832,935	(926,126)	-	598,233	2,505,042
Totals	2,832,935	(926,126)	-	598,233	2,505,042

THE FELIX PROJECT

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 31 DECEMBER 2023

2022	Consolidated and Charity				Balance at 31 December 2022 £
	Balance at 1 January 2022 £	Utilised £	Undesignated £	New Designation £	
Impact Growth Fund	3,080,712	(980,367)	(2,100,345)	-	-
Investments	1,802,684	(390,422)	(1,412,262)	-	-
Fixed assets	2,297,472	-	-	535,463	2,832,935
Totals	7,180,868	(1,370,789)	(3,512,607)	535,463	2,832,935

The amounts utilised during the year represent funds spent as set out by the trustees at the beginning of the year.

The trustees have included the charity's fixed assets as designated funds.

22 Analysis of net assets between funds

Fund balances at 31 December 2023 are represented by:	Consolidated and Charity		
	Unrestricted funds	Restricted funds	Total Funds
	2023 £	2023 £	2023 £
Intangible fixed assets	50,487	-	50,487
Tangible fixed assets	2,454,555	-	2,454,555
Net current assets / (liabilities)	6,870,065	1,901,065	8,771,130
Creditors: amounts falling due after more than one year	(13,131)	-	(13,131)
Provision for other liabilities	(376,051)	-	(376,051)
	8,985,925	1,901,065	10,886,990

Fund balances at 31 December 2022 are represented by:	Consolidated and Charity		
	Unrestricted funds	Restricted funds	Total Funds
	2022 £	2022 £	2022 £
Intangible fixed assets	153,338	-	153,338
Tangible fixed assets	2,679,597	-	2,679,597
Net current assets / (liabilities)	5,854,553	2,552,156	8,406,709
Creditors: amounts falling due after more than one year	(34,697)	-	(34,697)
Provision for other liabilities	(354,100)	-	(354,100)
	8,298,691	2,552,156	10,850,847

THE FELIX PROJECT

NOTES TO THE FINANCIAL STATEMENTS

FOR YEAR ENDED 31 DECEMBER 2023

23 Operating lease commitments

At the reporting end date, the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Consolidated and Charity 2023 £	Consolidated and Charity 2022 £
Within one year	779,614	620,072
Between two and five years	1,574,602	1,799,457
In over five years	630,245	897,112
	2,984,461	3,316,642

24 Results from Trading Activities of Subsidiaries

The charity has a wholly owned trading subsidiary, The Felix Project Trading Company Limited (registered company number 11824361).

The taxable profits from 2023 are donated to the Felix Project by Gift Aid. The Felix Project's investment in the share capital is £1.

Audited financial statements have been filed with the Registrar of Companies.

The Felix Project Trading Company Limited (registered company number 11824361) Summary Profit and Loss account	2023	2022
	£	£
Turnover	12,353	150,348
Cost of Sales	(11)	(3,541)
Gross Profit	12,342	146,807
Administrative Expenses	(8,210)	(10,918)
Operating Profit / Profit before Taxation	4,132	135,889
Tax on profit on ordinary activities	-	(6,173)
Profit for the Financial Year after Taxation	4,132	129,716
The assets and liabilities		
Current assets	9,440	175,376
Current liabilities	(5,307)	(45,659)
Total net assets	4,133	129,717
Share capital and reserves	1	1

Excluding its subsidiary, the charity's income for 2023 is £12,999,700 and the net income for the year is £161,727.

THE FELIX PROJECT

Appendix A: Partner acknowledgement

Our work in 2023 would not have been possible without the support of all our contributors and donors. We would like to say thank you to all of our partners including:

Funder name
Accenture
Avanade
BBC Children in Need
Betty Messenger Charitable Foundation
BlackRock
Blavatnik Family Foundation
Bloomberg
Canary Wharf Group PLC
Canopus Trust
Capital Generation Partners
Cargill
Chapman Charitable Trust
Charities Trust
Chellaram Foundation
Citi Foundation
City Bridge Foundation
Comic Relief
Dash Water
David and Ruth Lewis Family Charitable Trust
Dunnhumby
Edenred
Fidelity International
Ford Fund Europe
Freshfields Bruckhaus Deringer LLP
Furness Insurance Services
Garfield Weston Foundation
George and Annette Bell Foundation
Glendower Capital
Gnanam Foundation
Gold for Kids
Golden Acre Foods
HarperCollins (NewsCorp)
Haysac Foundation
Hello Fresh
Highfields Trust CIO
Hinduja Foundation UK
Hosking Charitable Trust
Howard de Walden Estate
Ian Mactaggart Trust
Impax Asset Management
Inner London Magistrates' Court's Poor Box and Feeder Charity

THE FELIX PROJECT

Investec
Islamic Relief Fund
JERA Global Markets
John and Lorna Trust
John Ryder Memorial Trust
Julius Baer International
King Charles III Charitable Fund
Knight Frank
Lane Clark & Peacock LLP
Les Ambassadeurs Group
Lime
London Plus
Love is Kindness Charitable Trust
McKinsey & Co.
McLain Family Foundation
Mission 44
Montier Charitable Trust
Morgan Stanley
Mukul Madhav Foundation UK
Mulberry
National Lottery Community Fund
Northern Trust
Oak Foundation
Ocado Retail Ltd
Orr Mackintosh Foundation
P F Charitable Trust
PayPal Giving Fund
Peabody Community Foundation
Philip King Will Charitable Trust
R Finney Charitable Trust
Rothschild Foundation
Sarah's Trust
Schroders Giving
Silicon Valley Bank
StarLizard
Temasek International
The 29th May 1961 Charitable Trust
The 3 TS Charitable Trust
The Albert Van den Bergh Charitable Trust
The Atlas Fund
The Barratt Developments PLC Charitable Foundation
The Basil Samuel Charitable Trust
The Beacon Lodge Charitable Trust
The Cadogan Charity
The Carpenter Charitable Trust
The Childhood Trust

THE FELIX PROJECT

The Christopher Rowbotham Charitable Trust
The Clarkson Foundation
The David & Jennie Kirk Charitable Trust
The David Mathias Charity
The Dyers' Company Charitable Trust
The Gemini Trust
The Gosling Foundation Ltd
The Grace Trust
The Greater London Authority
The Holbeck Charitable Trust
The Hollick Family Foundation
The International Bankers Charitable Trust
The J P Jacobs Charitable Trust
The Jonathan Towler Foundation
The Land Park Charitable Trust
The Linbury Trust
The Loveday Charitable Trust
The Mageni Trust
The N Smith Charitable Settlement
The Openwork Foundation
The Patrick & Helena Frost Foundation
The Pears Family Charitable Foundation
The Peter Lawrence & Family Charitable Trust
The Pilgrim Family Charitable Trust
The RKT Charitable Trust
The Royal Foundation
The Sterry Family Foundation
The Tanlaw Foundation
The Tresanton Trust
The Trevor Catchpole Foundation
Tower Hill Trust
Trace Charitable Trust
Trowers & Hamlins Charitable Fund
Vanguard Asset Management
Vitol
Vovos Better World Fund
Westfield Europe Ltd
Winch Design

THE FELIX PROJECT

England & Wales - Charity number 1168183

Accounts

Charity Registration No. 1168183

Company Registration No. 10068253 (England and Wales)

THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
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FOR THE YEAR ENDED 31 DECEMBER 2022

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**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT AND DIRECTORS' REPORT)**

FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, 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)" (effective 1 January 2019).

Our Vision and Mission

The Felix Project's vision is 'a London where no one is hungry and good food is never wasted'. Our mission is to get good quality, nutritious food to people in need by making use of the surplus food in the UK's food supply, saving it from becoming waste and harming the planet.

Our Strategic Objectives

The Strategic Refresh that was finalised in Q1 2022 set out the following objectives (which were adaptations of the 2020 strategic objectives and take us to 2025):

- Sustainable growth of IMPACT, brand, community and influence.
- Secure dependable and adequate RESOURCES including surplus food, income, volunteers, advocates, and supporters.
- Optimise processes, policies, and practices (embedding BRILLIANT BASICS).
- REACH communities most in need with balanced, nutritious food.
- Measure and TRACK impact as well as outputs.
- INNOVATE for maximum efficiency and effectiveness.

What we do

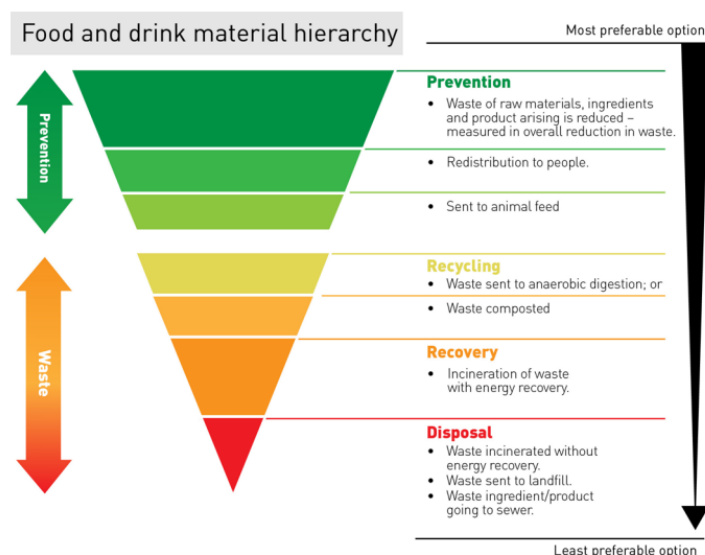
The Felix Project is a London-based UK charity set up in 2016 by entrepreneur Justin Byam Shaw and others.

The Felix Project exists to tackle food waste and food poverty issues. With the long tail of the pandemic still having an impact and the growing cost of living crisis, the need for our work has never been higher. There are more than 500 organisations on our waiting list who would like to receive our food, and all our community partners are asking for more food to be delivered.

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT AND DIRECTORS' REPORT)**

FOR THE YEAR ENDED 31 DECEMBER 2022

In the UK, 31% of the food that is wasted comes from the manufacturing, hospitality and food service, and retail sectors (waste from farms is not included in this calculation). And in London, 67% of wasted food is edible, yet only 0.5% is redistributed. Charitable redistribution of food is considered by The Waste and Resources Action Programme (WRAP) as one of the most preferable options for surplus food. It sits, along with commercial routes and animal feed production, in the prevention section of WRAP's Food and Drink Material hierarchy (below).



The amount of surplus food redistributed in 2021 was over 106,000 tonnes, worth over £330 million and the equivalent of over 253 million meals. Surplus food redistributed via charitable channels made up 61% of the total that year. The amounts handled by charities has increased by almost six times from 2015 to 2021. The Felix Project redistributed 29m meals in 2022 which represents 18% of the total number of meals redistributed by charities in the UK.

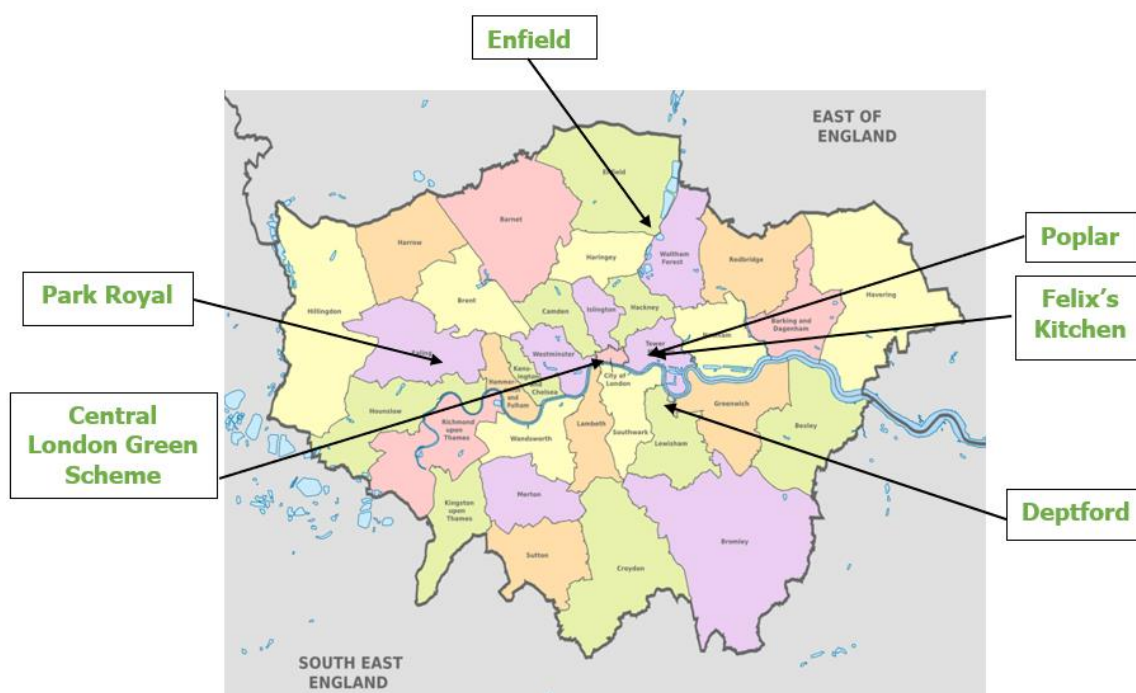
We rescue good food that cannot, or is not, used and would otherwise not be eaten. This food is deemed to be surplus within the professional food industry, but is good quality, and perfectly fit for human consumption. The food we redistribute includes a high proportion of fresh vegetables, bread and baked goods, meat, fruit and fish, however we redistribute all types of food including ambient (does not require refrigeration), chilled (requires refrigeration) and frozen. We collect and receive food from organisations from all stages of the food supply chain – farms and growers, manufacturers, pack houses and distributors, transporters, wholesalers, supermarkets, other retailers, restaurants, hospitality and other 'Food to go' outlets.

Our employees assisted by an army of volunteers sort this food and then redistribute it free of charge to community organisations across London that cook meals, prepare food, or provide food parcels for their communities. Many of the individuals supported by these organisations are those who are at risk of hunger and malnutrition or social isolation. This includes those from the homeless and rough sleeper community, families from socio-economically disadvantaged communities and households (including those without recourse to public funds or support), and people who are supported because of physical and/or mental health challenges. It also includes refugees, asylum seekers, children, women who are escaping domestic violence and/or are victims of trafficking, people being supported as they are experiencing addiction or other similar challenges; and older people who are isolated and/or experiencing loneliness.

**THE FELIX PROJECT
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TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT AND DIRECTORS' REPORT)**

FOR THE YEAR ENDED 31 DECEMBER 2022

The Felix Project works out of 4 depots, in Park Royal (West London), Enfield (North London), Deptford (South-East London) and Poplar (East London). We run the Green Scheme using a small fleet of electric vans strategically parked in Central London but also supported by Walking and Cycling routes. While representing a small part of our output, this low carbon footprint operation circumvents the need for expensive warehousing. In East London, we also run Felix's Kitchen, where a team of creative professional chefs turns surplus food into healthy and culturally familiar meals that can be microwaved or heated on a hob. These meals are an ideal solution for communities organisations and vulnerable people who do not have the resources to cook for themselves, or who cannot afford to prepare food due to high energy prices (between 3000 – 5000 meals per day) map



Our schools programme provides food to primary schools for distribution to children and families who may not be able to access good quality nutritious food. One of the key components to our schools programme is the provision of educational content - the Felix Food Fight. We teach the school community about the impact that food has on the environment during its production, the negative impact it has if it goes to landfill and, importantly, the importance of eating our food rather than wasting it. During the school holidays, children that would usually be receiving one and in some cases two meals per day at school do not receive these meals as schools are closed. The need to put more food on the table as well as often having to pay for childcare commitments creates huge amounts of financial pressure on many households. We therefore ensure that the food that would be delivered to a school during term time is sent to organisations that support children over the holidays. These organisations run activities and provide opportunities for learning and socialisation, as well as providing a safe space for children and, importantly, a healthy meal.

To support even more families, we run Community Distribution events at schools, community centres and on estates during the holidays. This involves one or more of our Felix vans, full to the brim with food, arriving at

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT AND DIRECTORS' REPORT)**

FOR THE YEAR ENDED 31 DECEMBER 2022

the organisation to be welcomed by a team of volunteers who help us unload the vans. They then offer food to families in need of a little extra to ease financial pressures during the holidays. We are also beginning to work with secondary-aged young people (12-18 years old) and are empowering them to set up food redistribution models in their schools and community to develop skills, confidence, and networks through volunteering.

Our work in 2022

At the end of 2022, food inflation outstripped general price inflation, especially for items like bread, milk, and tea which are central to the lives of those on very limited budgets. In London alone, 400,000 children went to bed without a proper evening meal. The brutal cost-of-living crisis became a cost of eating crisis for millions.

The Felix Project was faced with a huge increase in need in 2022 due largely to the cost of living crisis. We received a huge level of support in terms of both volunteer hours and financial donations. The charity redistributed over **12,000 tonnes of food** – the equivalent to **29 million meals** (1 meal = 420g). This is in line with the exceptional levels of 2021 when we were still reacting to the Pandemic and also still receiving some purchased food which inflated our usual food volumes.

It is a shared sense of social responsibility to be part of such a committed and joyful community of staff, volunteers, food donors and funders who are all doing such critical work right now.

At the time of writing, 533 charities and schools remain on our waiting list, with 175 having applied to us in just the last three months alone. It has been tough to turn away frontline charities doing urgent work.

When housing costs are considered, the poverty rate in London has almost doubled from 16% pre-pandemic to 27%, making London the region with the highest poverty rate in the UK.* In the autumn, we launched our Empty Plate Emergency Appeal to galvanise Londoners into action against the cost-of-living crisis. Despite rising operational costs, we ended the year with 29M meals delivered to over 1000 charities and schools in every borough, reaching children and families, the homeless, the elderly, refugees and many more. This includes 873,065 meals cooked in Felix's Kitchen

In 2022 we measured our Corporate Carbon Footprint (CCF) for the first time, to better understand our impact on the environment. We joined the 2030 Courtauld commitment, a voluntary agreement led by the charity WRAP that enables collaborative action across the entire UK food chain to deliver farm-to-fork reductions in food waste, greenhouse gas emissions and water stress that will help the UK food and drink sector achieve global environmental goals.

We were also proud to launch our Theory of Change framework to ensure we deliver against our organisational purpose. Going forwards we will put in place processes to measure and track what matters so that we can test our hypotheses and use this data to inform strategic decision making. We remain committed to long-lasting, sustainable, and meaningful change.

We will do more to fight this growing crisis in 2023 and aim to rescue and repurpose record numbers of food for record numbers of Londoners with nowhere else to turn.

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Operations

During 2022 we continued to grow and develop our four depot locations in London and the Central London Green Scheme. This included the significant redevelopment of our North London depot at Enfield, where we added freezer and chilled capacity, improved efficiency and safety, and also extended and improved our office, meeting and communal facilities. This has allowed us to rescue more food, but also have a safer and more welcoming environment for our staff and volunteers.

More people have struggled to cook for themselves this year because of the rising cost of energy. We have therefore seen an increase in demand for our cooked food from Felix's Kitchen. Heading into the winter, and with the support of Morgan Stanley, we commenced a ramp up of the Kitchen capacity to deliver more meals. This included adding an evening shift for staff and volunteers aiming to achieve maximum capacity over time from 3000 meals per day to 5000 meals per day in 2023.

Health and Safety

We continued to prioritise Health and Safety during 2022. Our five physical locations have responsibility for a growing number of staff and volunteers. Not only must we meet all legislative obligations, but we also have a duty of care to our growing team through safe working practices and quality training so that their work can be carried out in a safe environment, be that in one of our warehouses, Felix's Kitchen, or whilst out collecting or delivery food in one of our vehicles.

Each of our depots and Felix's Kitchen are registered as food businesses with their respective local Environmental Health Departments. They are subject to visits at any point within a 3-year period. Due to our partnership with FareShare, we are also subject to inspections by their food safety auditors, NSF.

Our Community Engagement Team continued to carry out food safety checks amongst our partner beneficiary organisations, ensuring that the food we deliver to them is suitable for the end user. This includes ensuring that each site is registered with their local Environmental Health Office as a food business and has a person responsible and trained in food safety.

Technology

The Felix Project continues to harness the power of technology to drive improvements and efficiencies across the organisation. During 2022, we focused on consolidating and solidifying our foundations, with a particular focus on security and compliance. This was due partly due to an increasing number of cyber attacks globally due to the Russian invasion of Ukraine, but also due to the increased operational growth of the organisation where policy and procedure needed aligning with the business process. As a result of these new initiatives, we have more than doubled our security score and provided enhanced protection, with a goal to further increase this industry standard score by a further 15 percentage points during the next year.

We also focused on bringing our GDPR policies in line with our compliance and security and updated a number of key policies in this area such as the Privacy Policy, Bring Your Own Device Policy, and the Acceptable Use Policy.

During the year, we also consolidated a number of our core application environments in Microsoft Dynamics to support improved development and deployment into our production systems, affording us better support for agile deployment, meaning we could react more quickly to changing business requirements.

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One of the key business projects that we completed during 2022 was an extension of our Dynamics application; the Community Onboarding Portal which enabled us to not just deal with the backlog of Charitable Organisations (COs) but offered us better insights into our CO's business and the people they supply. This will help inform some aspects of our Impact reporting.

We continued to add improvements and enhancements to RouteMe, such as integration to What3Words for improved accuracy of drops and pick-ups and automatic texting along the routes to notify Charitable Organisations. This means that the CO's are ready and prepared for food deliveries, which in turn improves our delivery efficiency.

We also built the underlying technical platform for an Intranet to allow HR and other departments to populate the content and allow improved internal communications.

Food supply

In 2021 The Felix Project ramped up supply with support from DEFRA and others to help London during the pandemic. These were exceptional times, but during 2022 we have maintained these high levels of supply using our existing and new channels. It is important to remember that, during the pandemic years, there was significant food purchasing from FareShare and DEFRA which inflated our usual surplus food volumes, so to maintain these levels in 2022 has been a significant achievement.

Our Supply team worked hard to address the reduction in food volumes felt after DEFRA funding ceased. Throughout the year they found 170 new food suppliers, which not only redressed falling volumes but allowed us to support even more community organisations across London. In addition, we continue to work closely with the FareShare network, this provided 5,996 tonnes of food (47% of total food rescued) delivered into our depots.

As well as our new partners, we continued to work with suppliers that we have formed excellent relationships with. In 2022 we solidified our relationship with some key supply partners. Amazon became our largest surplus contributor, doubling volumes year on year from 739 tonnes in 2021 to 1,535 tonnes in 2022. Ocado have also more than doubled volumes year on year, moving from 195 tonnes in 2021 to 442 tonnes in 2022, This was supported by two new Ocado depots coming onboard in Q3 2022. This growth will continue into Q1 2023, with a new depot in Purfleet also coming onboard.

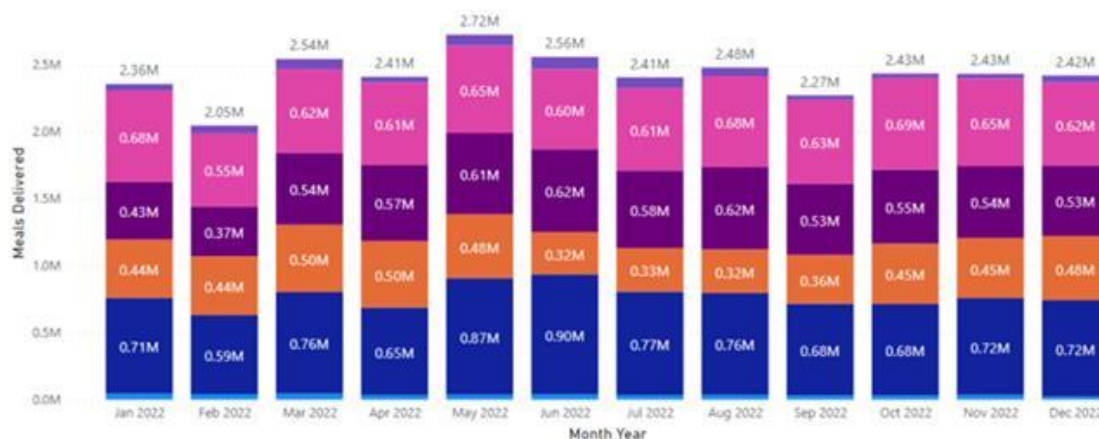
Our key partner Hello Fresh has worked with us in reinventing the distribution model for their surplus from their three depots. Initially, this has increased volumes, and we will continue to see growth into Q1 and Q2 2023.

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Meals Delivered by Month Year and Operation

Operation ● Central London ● East London ● North London ● South London ● West London ● Direct Delivery



29.08M
Meals Delivered

12.17K
Tonnes Delivered

Distributed Food

Operation	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Jul 2022	Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022	Total
Central London	18.7	17.1	18.7	14.6	15.3	16.3	14.5	14.8	13.6	13.1	15.0	9.3	181.1
East London	299.2	246.8	317.2	273.2	363.8	375.0	322.7	318.5	286.1	285.5	302.1	301.4	3,691.4
North London	182.2	184.2	210.4	208.0	199.9	132.5	136.4	135.7	152.6	188.7	188.0	200.6	2,119.0
South London	180.5	155.3	225.2	238.1	253.9	258.3	242.2	258.3	222.1	230.8	225.2	220.3	2,710.4
West London	283.9	229.3	260.9	257.0	273.1	249.8	256.9	283.5	262.1	286.9	272.7	259.3	3,175.4
Direct Delivery	21.0	23.4	31.5	17.5	33.8	38.2	34.0	26.6	14.1	13.6	14.7	21.7	290.1
Total	985.5	856.1	1,063.9	1,008.2	1,139.8	1,070.1	1,006.7	1,037.5	950.7	1,018.7	1,017.7	1,012.6	12,167.4

To simplify communication channels and build expertise within the supply team, we have invested in staff and split responsibilities in to three key areas – supplier relationships, transport, and key accounts. Members of the team also focused on specific food categories (e.g. frozen, chilled etc.). This has increased the team’s expertise and knowledge base, as well as being of benefit to our suppliers.

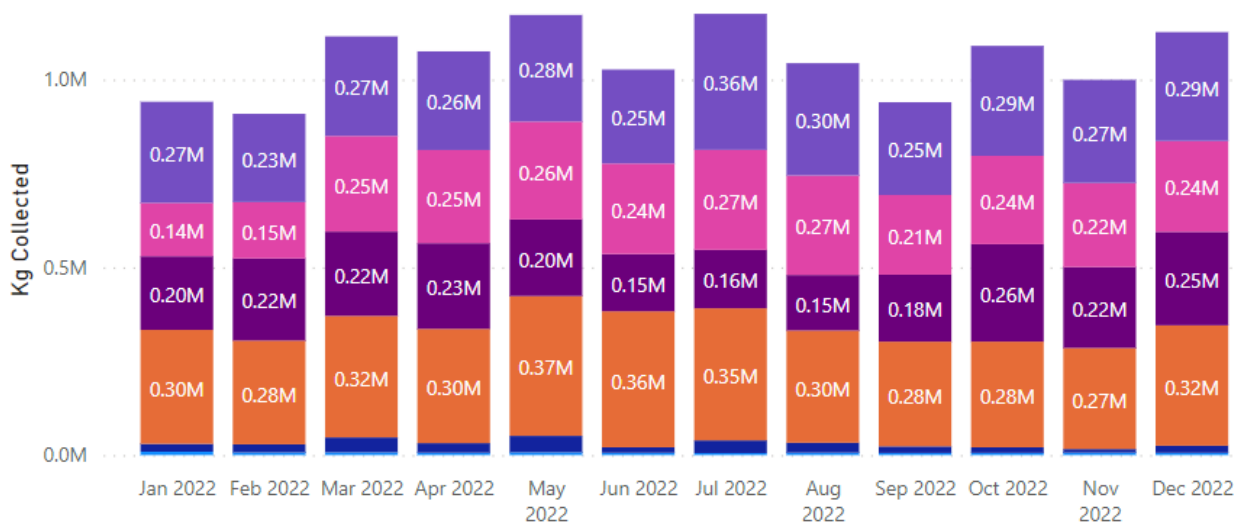
As well as our own vehicles that are driven predominantly by volunteers, to either collect or deliver surplus food, we grew our haulier capability, identifying a new partner to increase our ability to collect food we could not access before.

The Trustees would like to express their gratitude to all our food supply partners, without whom we would not be able to support any of the community organisations.

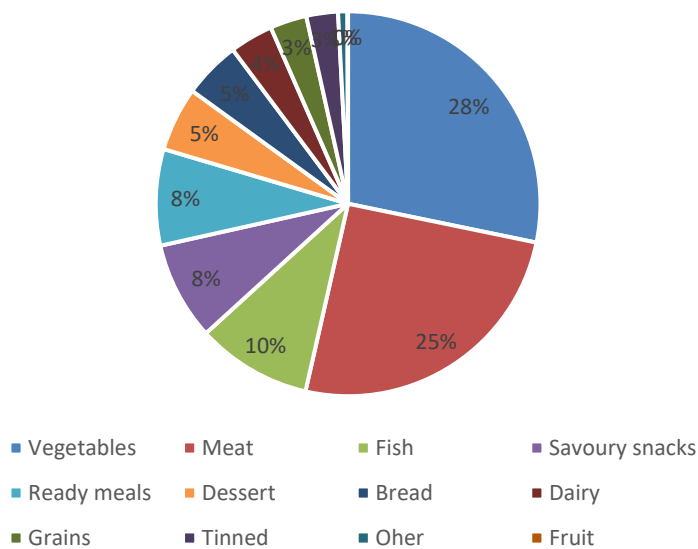
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Operation ● Central London ● Direct Delivery ● East London ● North London ● South London ● West London



Produce Type Breakdown (2022) KG



Community

2022 was a year of consolidation, putting in place the building blocks that will lead to a sustainable future that sees us supporting the communities we partner with beyond the offer of food.

We launched the first iteration of the Community Portal which will help us to share information more effectively with our communities. This iteration allowed us to validate and refresh our waitlist whilst capturing more insightful data about those who wish to receive food from us.

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During the year we reduced the waitlist to just over 300 community organisations confirmed as interested in joining Felix, but, due to the economic situation the list increased to over 500 by the end of the year. The waitlist is now populated by many schools who are increasingly reporting the impact of children arriving at school hungry throughout the week.

Alongside our technology developments, we went back to basics to ensure all our community organisations meet current Food Safety Standards. All community organisations were checked, helping to build our confidence in the safety of the food we distribute on behalf of our food partners (excluding schools who will be checked in 2023). Each check provided the opportunity for us to share best practice with our network of community organisations and allowed them to update us on their activities and the experiences they are having with increased demand for food. This confirmed the wider messaging that many people are finding themselves food insecure for the first time, having to navigate a confusing array of benefits and to keep afloat despite being in paid employment.

We continued to develop relationships with local authorities and now hold regular interactions with representatives of all 32 boroughs and the City. In addition, we are developing partnerships with housing associations through our interactions with the G15, the group of the largest housing associations in the UK. Furthermore, partnerships with the larger stakeholders in the voluntary sector continue to develop and we will no doubt begin to deliver on these partnerships in future years.

An exciting development was the launch of the Felix Food Fight, our foray into providing an educational toolkit aimed at children in years 5 and 6 at primary school (10 year olds). Providing teacher developed, curriculum relevant lesson plans and activities, the aim is for the children to develop an understanding of the impact of food waste on the planet and to encourage school communities to embrace the use of surplus food. We hope this will present us with the opportunity to provide more food where it is very much needed in a way that removes any stigma for those who will benefit most from being able to access a free source of food. Whilst 2022 saw minimal growth in the number of community organisations and schools Felix works with due to capacity constraints felt elsewhere in the operation, the Community Team used this time to learn more about the communities we work in, which in turn will enable us to adapt our services to better support the solutions they want to deliver to support themselves. This will feed into improving the impact we make with the resources available. We look forward to 2023 as we put these improvements into practice.

Volunteering

Volunteers are the lifeblood of The Felix Project, supporting across our operations in a wide variety of roles. Felix could not function without their incredible contribution.

2022 was a year of record-breaking numbers, with 8,599 people supporting across South, East, North, West and Central London's operations. This is over double the number of people that volunteered in 2021. This number includes the 5,886 corporate volunteers that contributed their time to Felix, mainly on one-off group days. We would like to extend a massive thank you to all groups and individuals, who have brought their energy, enthusiasm, and expertise to Felix throughout the year.

We have successfully developed a partnership with Amazon who provide us with 18 volunteer drivers with vans per week on average.

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Additionally, in 2022, volunteers contributed a Felix record of 144,603 hours, covering an average of 64% of shifts. In the final quarter, shift coverage rose to 70% which, given multiple external pressures on the volunteering landscape, is an achievement. Indeed, across the UK, formal volunteer numbers have fallen, and predictions suggest this could increase because of the cost-of-living crisis and continued concerns regarding Covid (particularly amongst the older population).

While applications dipped at the beginning of the year, with the team's attention focused on recruitment, we saw a large increase in monthly applications and first shifts across sites by the final quarter. In fact, in December, we saw 617 applications to volunteer – a number not seen since 2021 when the pandemic caused a surge in prospective volunteer interest. First shifts also rose to 214 in December, the highest number for the year. We were delighted to open our doors to so many new faces.

Our team is passionate about the volunteer experience and is always looking at ways to make our roles more accessible, enjoyable, and fulfilling. We have introduced an Equal Opportunities Form so we can track our progress as we strive to use more inclusive recruitment methods, provide opportunities for a diverse volunteer base, and ensure Felix a welcoming environment for all.

The Trustees would like to express their gratitude for the time, skills, and dedication of all our volunteers.

Staff

Investment in the staff team continued across the Senior Leadership team and within operations. The charity recruited a Head of Distribution to oversee the depots and ensure that there are consistent processes in place to drive efficiencies. A new Learning and Employability Manager was also recruited and will lead the development and implementation of a strategy going forward. At the end of 2022, our staffing establishment was 158.

A Depot Manager with additional strategic responsibilities for Health and Safety is now in post. We have already seen several improvements in the depots, with an increased focus on reporting, manual safety, and protective clothing for all staff who are working in the depot space. Alongside this there has been greater awareness of the importance of Health and Safety for our teams through the learning management platform and the introduction of daily toolbox talks.

The focus of 2022 was to deliver against the strategic refresh objectives around optimising policies and processes. A new safe-guarding policy was introduced and . Within the people team several processes were put in place to mitigate employment risks for the charity specifically in relation to right to work.

Despite the ending of our employability scheme, we have a partnership with Beyond Food and currently have apprentices working through them in our Kitchen. Developing a strategy around employability is a key strategic priority for 2023.

We are committed to introducing step changes to help us to “Be London's best loved charity”. We completed a benchmarking exercise of our pay and benefits. This resulted in us improving some of our benefits for staff and, in line with our financial position, we increased the hourly rate of our lowest staff in line with the London Living Wage and supported our staff with a one-off payment due to the challenges being faced in the cost-of-living crisis.

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The Senior Management Team is now complete comprising our CEO, Director of Income Generation and Marketing, Director of Operations, Director of People and Culture, and Director of Finance, supported by the Head of Technology and the Head of Special Projects.

Additionally, new appointments across most departments of the organisation took place in line with our plans to support our growth. The average number of staff grew from 93 in 2021 to 143 in 2022.

The Trustees would like to express their gratitude for the hard work of all the staff team across the year.

Our Fundraising

The trustees are grateful to all the corporate partners, trusts, foundations, and individuals who supported our work in 2022. We continued to invest in activities which see greatest return on investment for the organisation, and also developed plans to focus on other areas which are strategically important for long-term sustainable growth.

As one of our strategic objectives is to “secure dependable and adequate... income” we have focused our efforts on long-term strategic relationships with individuals, foundations, trusts and corporate partners. At the start of 2022, we analysed what additional resources were needed to meet this strategy and put in place a plan to grow the Fundraising and Marketing teams. Starting with a new Director of Income generation and Marketing in February, the team structure has steadily grown such that we start 2023 with almost a full complement, with additional resources to support Corporate Partnerships, Trusts & Foundations and Marketing as our areas of focus. In 2022, this resulted in a 16% increase in the cost base. This has allowed us to sustain our income in 2022 and to increase our public profile and therefore opportunities for further fundraising. The cost-of-living crisis may negatively impact some income channels (particularly individual giving and community fundraising) but allows us to focus attention in other areas to seek greater support. This will be expanded in 2023 again with a new focus on securing support from central and local government.

Our focus on building a sustainable pipeline of multi-year pledged income has meant that we currently have over £3m of income pledged for 2023.

Our fundraising policy

In 2022, we did not use any external fundraisers. We do have commercial partnership agreements with some of our corporate partners whereby we benefit from raised funds and awareness through sales of their products. These partners are Dash Water and Hello Fresh.

Any fundraising done through third parties is reviewed and agreed at a Senior Leadership level prior to launch, and continuously monitored by members of the fundraising team to ensure compliance with our policies and procedures. The Felix Project is registered with The Fundraising Regulator and abides by their standards of fundraising activity, known as the ‘Code of Fundraising Practice’. Our Complaints policy is available from our website. There have been no complaints any fundraising activity in 2022. All appropriate team members are aware of the Code of Fundraising Practice guidance on fundraising involving children and people in vulnerable circumstances.

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Our Impact journey in 2022

Another focus for 2022 was how we understand and measure our impact as an organisation. Following the strategic refresh in April 2022, we have completed various stages of work, as follows:

STAGE ONE: Impact Review/Purpose alignment (Feb-April 2022)

The results of the Impact Review showed that:

1. We do not have clarity about our purpose;
2. Several tensions were shown to exist (immediate 'relief' vs longer-term, environmental vs social);
3. The data we hold are outputs (X number of deliveries of X kg food to X number of COs who work with X individuals), not impact measures.

STAGE TWO: Theory of Change (May - July 2022)

A Theory of Change (ToC) is a model that describes/displays:

- how our **Inputs** translate into the **Activities** we carry out
- the **Outputs** Felix's Activities generate and their associated **Outcomes**
- the desired **Impact** we would like to be having ie. the long-term outcomes, or change

Our Theory of Change is an ongoing, live document that we will continue to refine and improve.

STAGE THREE: Building an Impact Measurement Framework (Aug to Oct 2022)

During this phase of work we identified the Key Outcomes we will measure. These correlate to the Outcomes on our ToC.

We will collect both qualitative and quantitative data. The collection of data that conveys impact must be unbiased and impartial. We will therefore work with external consultants throughout this work to ensure:

- we are asking the right questions to the right audience;
- we are gathering data in the right format;
- we remain impartial and unbiased;
- we are interpreting and analysing the data in the right way to learn about our impact.

Types of data we will collect to understand the impact we are having are:

Impact Survey data. FareShare send a survey to our COs on an annual basis. In addition to this, we will start to send our own Impact Survey on an annual basis, at a 6-monthly interval to FareShare's.

In-depth interviews/focus groups with COs and individuals supported. We will work with external consultants to gather in-depth information from a selection of our COs and the individuals that are recipients of Felix Food. This qualitative research will provide us with the depth and richness of data we need to start to understand how our deliveries of food make a difference to our network of community partners - what went well, what went less well, if there are any negative points to working with Felix; and how, why and in what ways Felix support has made a difference. This research will help inform the content of future Impact surveys, as well as point to areas we may want to focus on in more detail in the future.

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Introductory onboarding information. Information supplied to us when a CO signs up with Felix e.g. number of individuals reached, the type of support the CO provides (other than food provision). This data will be refreshed and updated in 2023.

Operational data. Internal data such as geographical location of our deliveries e.g. postcode/borough, kg food delivered to CO, the type of food delivered to a CO.

The Roadmap for 2023

In the remaining two years of our current strategy period we will continue working to achieve the following Strategic Goals relevant to the organisation's impact:

- To clarify our purpose, vision and mission, to develop our first theory of change and identify appropriate measures of the impact of our work
- We will be monitoring and testing the efficacy of our activities in pursuit of our mission and vision and adjusting our work to optimise our intended outcomes of a London where no-one goes hungry and good food is never wasted

We will:

- Start to track the impact measures we currently hold, using our current IT infrastructure;
- Ensure all data collected is stored in a way that we can access, track and conduct analysis;
- Commission and conduct research that will inform the content of future impact surveys, as well as provide us with indicators of impact that are up to date and can start to inform our work now;
- Start to align the data we are gathering with external data sets that allow us to understand our activity in relation to the external landscape;
- Replenish the data we currently hold about our COs (Community Portal 2.0), which will inform our work on impact;
- Continue to revise our Theory of Change.

We will continue our journey of converting the entire business to be based on impact and efficacy (the difference we make) rather than simply volumes and money (output). In addition, we continue to aspire to:

- Understand whether we are having a genuine, lasting impact on London & Londoners and the environment
- Own the data that funders and supporters are asking for
- Understand the impact we are *truly having*, and the change we are *truly making*, as opposed to the impact we hope we are having
- Understand whether we are really making the difference we wanted to make. And if not, to make any necessary changes
- Be able to collaborate with partners in order to increase our impact
- Be able to share our unique perspective, using the insight and understanding of our work and our reach into communities
- Be able to make impact-driven decisions about our work based on robust data
- Work more efficiently as an aligned organisation, towards our 'North Star'

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2023 and beyond

2022 was a year focused on laying strong foundations for our strategic objectives such that we are prepared for 2023 and beyond to optimise our impact and effectiveness. We remain agile and energised to enable to identify and take advantage of opportunities as they arise.

The cost-of-living crisis has deepened with rising inflation especially in food and energy costs which has left millions worse off in 2022 continuing into 2023. In addition, the war in Ukraine continues to cause uncertainty over oil and food supply, pushing prices higher. This in turn is impacting the supply of surplus food as everyone (producers, wholesalers & retailers) tries to cover their costs. We continue to look at innovative solutions to rescue more surplus and deliver to community organisations, support individuals especially the vulnerable and those that are having to choose between heating or eating.

Our determination and resolve to redistribute as much surplus food as possible to community organisations across London remains, as does our vision of a London where no one goes hungry and good food is never wasted.

Financial Review

Income in 2022 was £7.6m (2021: £8.5m). Expenditure was £9.8m (2021: £6.8m), resulting in a deficit of £2.2m (2021: surplus £1.8m) and a net asset value of £10.9m (2021: £13m). Our operating deficit incorporates our ambitious investment plans to deliver on our strategy and support implementation of the 'brilliant basics' as well as the impact of rising prices during 2022.

Summary of Income and Expenditure

Expenditure grew in 2022 from £6.8m to £9.8m. This represents the growth which started in 2021, notably the Poplar (East London) depot and Felix's Kitchen, as well as key investments to ensure we can sustain ambitious future plans. Key expenditure items in 2022 included:

- Renovation of the Enfield (North London) depot.
- Increase in the operations staff team from 89 to 117 at the end of 2022.
- Increase in food collection costs due to taking on additional suppliers, the impact of the HGV and fuel crisis.
- Investment in IT infrastructure to improve operational efficiency and the accuracy of reporting.
- Expanding the Fundraising and Marketing team to ensure we can access sufficient funds in the future to sustain our operations.

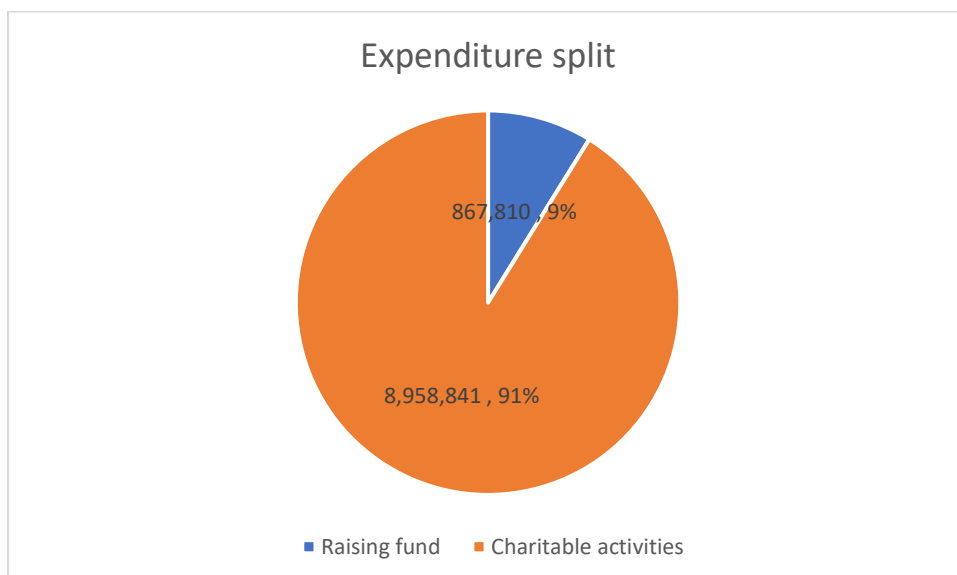
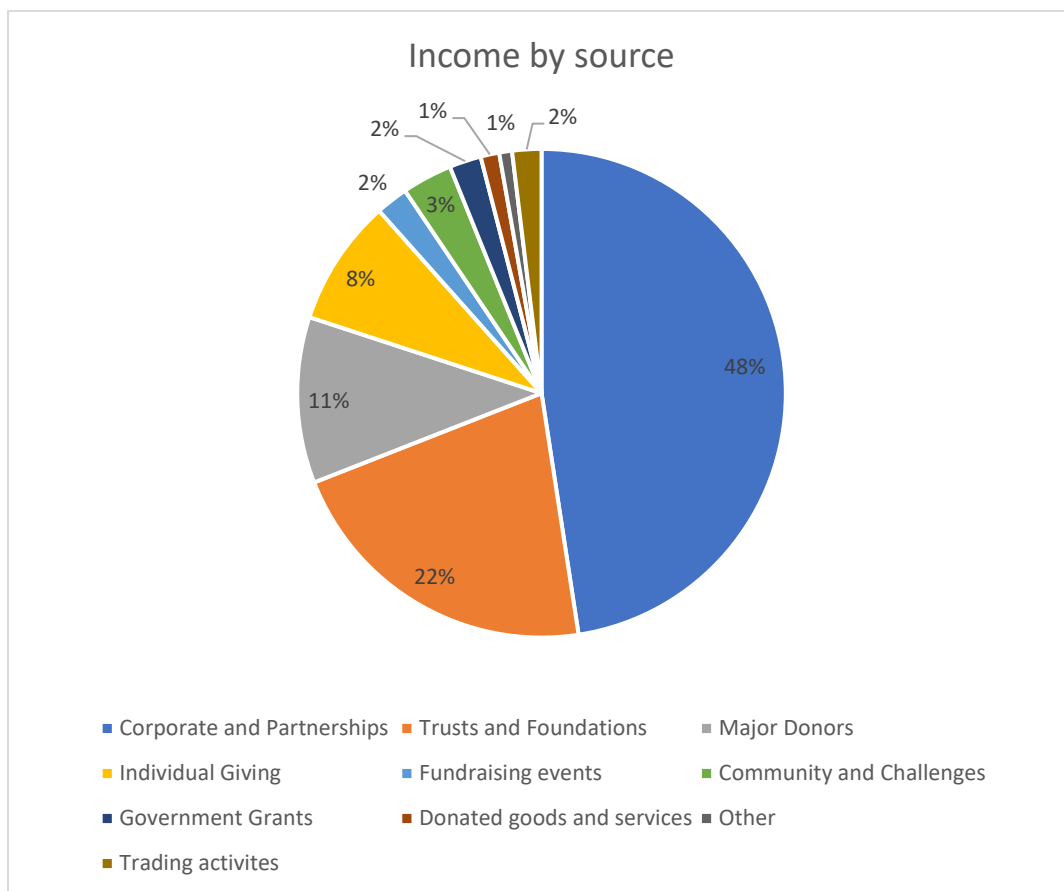
In December 2022 we received a sizable donation of just over £1m. The main purpose of this funding was for Felix to purchase and donate fridges and freezers for community organisations such that that can accept and store more food thus allowing more surplus food to be saved and put to good use. As this donation was made at the close of the year we had not completed the project. Within the restricted reserves there is a balance of just under £1m which will be used to support the buying, distribution and initial running costs of these white goods. As this is not normal operating costs for the Charity it has been shown as a separate column on the the Statement of Activities and highlighted in Note 20.

The impact of this donation has been to reduce our 2022 deficit and it will impact the budgeted deficit in 2023 by the same as this money is spent and goods donated.

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We strive to keep our costs low whilst delivering a high-quality service, maximising the funds donated and, where possible and appropriate, using volunteer and donated services.



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Reserves

There has been much change at The Felix Project following a period of exceptional growth during the pandemic which saw us move to an operation that now spans four depots, the Felix Kitchen, and the Central London Green Scheme, delivering 30 million meals to community organisations supporting Londoners most in need. This growth led to a Strategic refresh conducted at the beginning of 2022 focusing on ensuring The Felix Project was fit for purpose given the changes in the world around us, a context which continues to change in the light of more recent events. We have focused on understanding our impact as an organisation and ensuring we invest in the foundations for future sustainable operation. This has resulted in a far larger and more sophisticated organisation which will continue to adapt. The kitchen is now an integral part of the solution to food redistribution and our continued success necessitates robust going health & safety management, employee training and of course, income generation. The following reserves policy reflects these changes and future demands.

Reserves Policy

The Trustees have determined that, in order to ensure that sufficient funds are available to mitigate the cost of our principal risks, should they arise and also to cover the orderly wind up of the charity should it be needed, the level of free reserves should be held at a minimum of 6 months' budgeted unrestricted expenditure. Based on the 2023 budget this expected to be just under £4.3m. In line with this policy the charity's general fund for business continuity (unrestricted general fund) as at 31 December 2022 is £5.5m. (2021: £4m restated)

As the running of the Charity has expanded and we are in a cycle of continuous improvement rather than rapid growth the Trustees have taken the decision to designate only the book value of fixed assets.

The capital committed under fixed assets included in designated funds is £2.8m at the year end (2021: £2.3M) We had previously designated funds for "Impact Growth Fund" to allow us to focus of various initiatives. We have now developed our theory of change and clear impact measures and are currently understanding how best to report on this for 2023. This impact understanding will then help to inform our next strategic period, alongside doing more work to ensure we are well known by communities across London. Furthermore health & safety is imbedded in our core operations. Our income generation requirements have needed to scale up to meet the increased cost commitment and to give future reassurance. In addition, this designated fund was used to upgrade our facilities at the Enfield (North London) depot during 2022. (Impact Growth Fund 2021 £3.1m)

All organisations need to continually take advantage of improvements to technology and continually to innovate to react to opportunities and find solutions. We seek out suitable partners to assist us with exceptional transformations to help manage cost whilst still making advances. This approach is included in our general expenditure future plans such that no specific allocation has been made to the Investment fund in 2022 (2021: £1.8m)

REFERENCE AND ADMINISTRATIVE INFORMATION

The Charity is a company limited by guarantee (registered with Companies House under number 10068253) and registered with the Charity Commission under number 1168183.

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Trustees

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

Gavin Darby (Chair, Operations Committee Chair)
Cath Thorpe (People Committee Chair)
Julian Wakeham (Finance Committee Chair)
Jane Byam Shaw
David Hudd
Francesco Vanni d'Archirafi
Justin Byam Shaw (Fundraising Committee Chair)
Michael Millership
Karin Woodley CBE (from January 2022)
Asi Panditharatna (from January 2022)
Ann Marie Belsey (resigned December 2022)
Ben Salama (from July 2022)

Senior management Charlotte Hill OBE – Chief Executive from January 2022
Steve Thomas – Interim Chief Executive until January 2022
Sandrine Cotter – Director of Finance and Services until February 2022
Sue Melly – Director of Finance from May 2022
Tanya Mitchell – Director of Income Generation and Marketing from February 2022
Shane Dorsett – Director of Operations from October 2021
Bernadette Thomas – Director of People and Culture from February 2022

Registered office Unit 6 Kendal Court
Kendal Avenue
Park Royal
London W3 0RU

Auditor Sayer Vincent
Invicta House,
108-114 Golden Lane
London EC1Y 0TL

Banker National Westminster Bank plc
1 Abbey Road
Park Royal
London NW10 7YQ

Solicitor Hogan Lovells
Atlantic House
Holborn Viaduct
London EC1A 2FG

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT AND DIRECTORS' REPORT)**

FOR THE YEAR ENDED 31 DECEMBER 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, incorporated in the UK, and registered as a charity. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed by its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

Governance

In accordance with the Articles of Association, Trustees are appointed to the Board by resolution of the Trustees. Trustees will serve until the board meeting following the third anniversary of their appointment but may stand for re-election according to the procedures laid out in the Articles of Association.

Prior to appointment, a prospective Trustee is invited to attend a meeting of the Board, as an observer, before confirming his or her willingness, or otherwise, to stand for election. Once appointed, each new Trustee is issued with copies of the Charity's governing document, the latest financial statements and the Charity Commission's publication "The Essential Trustee: what you need to know". The Chief Executive Officer also offers an induction meeting with each new Trustee shortly after appointment.

Given the nature of the Charity's work, the Trustees seek to maintain a broad range of skills on the Board. Essential skills in business, finance and fundraising are represented on the Board, as well as experience of volunteering; several Trustees volunteer regularly and two Trustees are appointed to represent the volunteer workforce.

In their professional lives, some Trustees have received training in relevant areas, such as corporate governance and finance, and some are also experienced charity trustees with relevant training from other organisations on whose boards they serve. Additional training is provided as required.

All Trustees give their time voluntarily and have received no benefits from the Charity. No personal expenses were reclaimed from the Charity during the period.

The board and senior leadership team are delighted to welcome Ben Salama to the board of Trustees. Ben represents the voices of our volunteers at Trustee level, alongside Cath Thorpe. He is an experienced technology and business leader who has built and led IT consulting and software businesses across the US, Asia, and Europe. Most recently, Ben was a Managing Director of Accenture, the global technology consulting firm. There, he was part of the team that launched and built Accenture's highly successful digital business serving clients globally.

Ben started as a Felix volunteer driver five years ago and still drives regularly out of the Park Royal depot. Additionally, he has supported the charity's technology activities since 2020, helping define the strategy and working on the implementation of several projects. He served as the charity's head of technology and member of the senior leadership team in 2021 and chairs Felix's IT governance and steering group.

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT AND DIRECTORS' REPORT)**

FOR THE YEAR ENDED 31 DECEMBER 2022

Full Trustee meetings are planned for the 4th week of the start of each new quarter (April, July, October, January) with an additional end of year meeting in December. The senior leadership team prepare quarterly performance management reports, other key information and updates that will have been reviewed and discussed at the relevant sub-committee in the weeks before the full board meeting. Other board meeting agendas are determined with at least 50% of board meeting time focused on forward-looking projects, programmes of work and strategic direction.

Developments in Governance

To provide mechanisms for more robust review, scrutiny, and development of plans across all areas of the charity the Board has established four sub-committees for finance, fundraising, operations, and people, together with advisory groups for marketing and technology, all with formally agreed terms of reference.

The subcommittees address strategic and significant decisions, reviewing the management of major risks and making recommendations to the quarterly board meetings. In addition to these new subcommittees, we have developed the concept of Advisory Groups. Building on our established Volunteer Voice these groups incorporate the input of important stakeholders beyond the members of the board. They have been successful in overseeing and co-ordinating practical initiatives across the organisation. For example, the Technology Steering Group is open to all staff and meets monthly. Colleagues pitch and highlight their work, enabling everyone to learn from each-others' progress, challenges, and successes.

Management

The Trustees are responsible for the strategic direction and policy of The Felix Project and met five times in 2022. Responsibility for the day-to-day management of the Charity's operations and delivery of its services were delegated to the Chief Executive Officer, the senior leadership comprised the Director of Finance, Director of Fundraising & Marketing, Director of People & Culture and the Director of Operations. An extended leadership team includes the Heads of IT and Felix's Kitchen and our Head of Special Projects.

It is essential for the success of The Felix Project (and therefore in the best interests of its beneficiaries) that its key management personnel offer an appropriate blend of skills and experience, in-depth knowledge and experience of distribution, business development and operational growth, acquired through having worked extensively in relevant sectors. In setting the remuneration of the Chief Executive Officer, the Trustees' policy is to balance remuneration levels of Chief Executive Officers of London-based charities of equivalent size and complexity, with those of Chief Executive Officers/Senior Leaders from relevant industry sectors.

The Felix Project has a wholly owned trading subsidiary, The Felix Project Trading Company Limited, through which all trading activity is accounted for. The intention is that all profits made in the trading subsidiary are donated in full to The Felix Project. No staff are employed by the trading subsidiary. The results of the subsidiary are consolidated on a line-by-line basis.

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT AND DIRECTORS' REPORT)**

FOR THE YEAR ENDED 31 DECEMBER 2022

RISK MANAGEMENT

The Trustees are accountable for the strategic management of risks faced by the Charity, delegating responsibility for the day-to-day management and mitigation of identified risks to the Senior Leadership Team, which formally reports regularly to the Trustees and brings to their attention any significant increases in risks, should they arise. Whilst it is accepted that the Charity's risk management strategies cannot offer absolute assurance against all forms of loss or damage, the Trustees are satisfied that the measures deployed mitigate exposure to the most significant risks to the Charity. The Trustees review the Charity's strategic risks regularly to identify new and additional risks and to implement of measure to mitigate risks. They are satisfied those systems are in place to mitigate exposure to all major risks.

Principal Risks

As part of the ongoing assessment of our strategic risks, and following the initial three year strategic planning exercise that was undertaken in 2019, the Executive Leadership Team and Board redefined and updated the charity risk management strategy. The primary strategic risks are categorised as follows:

Sustainability of (Fundraising) Income Growth: The growth of fundraising income may not be sustainable in the medium to long term. Impact of not achieving growth in financial plan may result in a breach of reserves policy.

Insufficient Food Supply: The growth of food supply may not meet demand. This may have the impact of not being able to achieve our strategic goals, serve to our charity and community partners and lose credibility and adverse PR.

Breach of Health and Safety (Including Food Standards) policy; If we experience a serious health and safety breach in our operations. Impact could be significantly damaging PR, loss of life or injury, criminal investigation and /or regulatory action

People: Any adverse relationship between volunteer and staff may have a negative impact on the charity. People relations (employees and volunteers) through a time of organisational growth & development may impact on our ability to achieve our objectives.

Insufficient Food Re-distribution: Any failure of the charity to develop the core capability to grow food re-distribution to meet demand. Impact on our PR and credibility and failure to achieve our core Mission and strategic objectives

Cyber attacks, Data Loss or breach and/or Inaccuracy; Our technology systems and processes & procedures result in serious data privacy loss or breach or we experience key insights inefficiencies. PR or other damage to the charity including regulatory reprimand or fine and complaints. Cost of time and performance due to poor systems or technology.

Brand & Reputation; A general other serious impact on our Brand and PR due to actions of individuals and/or organisational failure (e.g. negative news story or social media action). Impact could result in reduced funding, loss of donors and supporters, volunteers, or other stakeholders.

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT AND DIRECTORS' REPORT)**

FOR THE YEAR ENDED 31 DECEMBER 2022

Relationship and association based PR; Reputational damage from external sources and/or relationships with supports or partners can results in loss of support, partners and/or donors.

INVESTMENT POLICY

The Charity had no investments in 2022 but term treasury deposits with two banks are used to hold cash not immediately needed for operational requirements.

RELATED PARTIES

In 2022 there were no issues of conflicts of interest or inappropriate appointments of related parties.

DISCLOSURE OF INFORMATION TO AUDITORS

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 each taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

AUDITORS

Sayer Vincent were appointed as auditors to the Charity in September 2022 and, in accordance with the provisions of the Companies Act 2006, it is proposed that they be re-appointed auditors for the ensuing year.

On behalf of the board of Trustees

.....
Mr Gavin Darby
Chair of the Board of Trustees

Dated: 25 April 2023

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF TRUSTEES' RESPONSIBILITIES**

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees, who are also the directors of The Felix Project 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;
- state whether applicable UK 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 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.

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF THE FELIX PROJECT

Independent auditor's report to the members of The Felix Project

Opinion

We have audited the financial statements of The Felix Project (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2022 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows 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 FRS 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 group's and of the parent charitable company's affairs as at 31 December 2022 and of the group's 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
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

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 group financial statements section of our report. We are independent of the group and parent 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 Felix Project's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other Information

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the group 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 group financial

THE FELIX PROJECT (A COMPANY LIMITED BY GUARANTEE) INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE FELIX PROJECT

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 group 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 group 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 the audit:

- The information given in the trustees' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic report, has 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 group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

THE FELIX PROJECT (A COMPANY LIMITED BY GUARANTEE) INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE FELIX PROJECT

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the finance committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF THE FELIX PROJECT

compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

Joanna Pittman (Senior statutory auditor)

Date

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 DECEMBER 2022

		Unrestricted funds	Restricted funds: Community freezer project	Restricted funds: All other funds	Total 2022	Unrestricted funds	Restricted funds	Total 2021
	Notes	£	£	£	£	£	£	£
Income and endowments from:								
Donations and grants receivable	3	4,147,203	1,037,500	2,238,013	7,422,716	4,377,517	3,935,624	8,313,141
Income from other trading activities	4	147,518	0	0	147,518	159,679	0	159,679
Other income	5	64,614	0	0	64,614	46,765	0	46,765
Total income		4,359,335	1,037,500	2,238,013	7,634,848	4,583,960	3,935,624	8,519,584
Expenditure on:								
Raising funds	6	867,810	0	0	867,810	748,530	0	748,530
Charitable activities	7	7,254,070	86,984	1,617,787	8,958,841	4,784,359	1,228,175	6,012,534
Total resources expended		8,121,880	86,984	1,617,787	9,826,651	5,532,889	1,228,175	6,761,064
Net (outgoing)/incoming resources before transfers		(3,762,545)	950,516	620,226	(2,191,803)	(948,928)	2,707,449	1,758,521
Gross transfers between funds		884,370	0	(884,370)	0	1,519,298	(1,519,298)	0
Net income for the year/Net movement in funds		(2,878,175)	950,516	(264,144)	(2,191,803)	570,370	1,188,151	1,758,521
Fund balances at 1 January		11,176,867	0	1,865,784	13,042,651	10,606,498	677,633	11,284,131
Fund balances at 31 December		8,298,692	950,516	1,601,640	10,850,848	11,176,867	1,865,784	13,042,652

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.

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED CASHFLOW STATEMENT**

FOR YEAR ENDED 31 DECEMBER 2022

	Notes	Consolidated		Restated Consolidated		Charity		Restated Charity	
		2022	2021	2022	2021	2022	2021	2022	2021
		£	£	£	£	£	£	£	£
Fixed assets									
Intangible assets	12	153,338		251,914		153,338		251,914	
Tangible assets	13	2,679,597		2,045,558		2,679,597		2,045,558	
Investment in Subsidiary	14	1		1		1		1	
		<u>2,832,936</u>		<u>2,297,473</u>		<u>2,832,936</u>		<u>2,297,473</u>	
Current assets									
Debtors	15	2,103,941		2,866,339		2,105,364		2,862,347	
Cash at bank and in hand		7,225,681		9,044,811		7,058,825		8,911,718	
		<u>9,329,622</u>		<u>11,911,150</u>		<u>9,164,189</u>		<u>11,774,065</u>	
Creditors: amounts falling due within one year	16	<u>(922,913)</u>		<u>(915,716)</u>		<u>(887,438)</u>		<u>(911,122)</u>	
Net current assets		8,406,709		10,995,434		8,276,751		10,862,943	
Total assets less current liabilities		<u>11,239,645</u>		<u>13,292,907</u>		<u>11,109,687</u>		<u>13,160,416</u>	
Creditors amounts falling due after more than one year	17	(34,697)		(55,255)		(34,697)		(55,255)	
Provision for other liabilities	18	(354,100)		(195,000)		(354,100)		(195,000)	
Total assets less liabilities		<u>10,850,848</u>		<u>13,042,652</u>		<u>10,720,889</u>		<u>12,910,161</u>	
Income funds									
Restricted funds	20	2,552,156		1,865,784		2,552,156		1,865,784	
Unrestricted funds									
General funds		5,465,756		3,996,000		5,335,798		3,863,510	
Designated funds	21	2,832,936		7,180,868		2,832,935		7,180,868	
		<u>8,298,692</u>		<u>11,176,868</u>		<u>8,168,733</u>		<u>11,044,378</u>	
		<u>10,850,848</u>		<u>13,042,652</u>		<u>10,720,889</u>		<u>12,910,161</u>	

The financial statements were approved by the Trustees on 25 April 2023

Gavin Darby
Chair of the Board of Trustee

Company Registration No. 10068253

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED CASHFLOW STATEMENT**

FOR YEAR ENDED 31 DECEMBER 2022

Cashflows from operating activities		2022	2021
		£	£
Net cash provided by operating activities	A	(588,188)	747,853
Cashflows from investing activities			
Purchase of fixed assets		(1,258,280)	(1,912,288)
Disposal of fixed assets		2,285	0
Bank interest income		25,053	866
Change in cash and cash equivalents in the year		(1,819,130)	(1,163,569)
Cash and cash equivalents at 1 January		9,044,811	10,208,378
Cash and cash equivalents at 31 December		7,225,681	9,044,811

A - Reconciliation of net movement in funds to net cash provided by (used in) operating activities

	2022	2021
	£	£
Net movement in funds (as per the statement of financial activities)	(2,191,803)	1,562,521
Adjustments for:		
Fixed Asset Gifts in kind income	(4,572)	(95,084)
Depreciation and Fixed Asset Impairment charges	726,031	393,759
Gain on disposal of fixed assets	(928)	0
Loss on disposal of fixed assets	0	622
Bank interest Income	(25,053)	(866)
(Increase)/decrease in debtors	762,398	(1,619,168)
Increase/(decrease) in creditors	145,740	506,070
Net cash provided by operating activities	(588,188)	747,853

B - Analysis of changes in net debt

	Cash and Cash Equivalents	Finance Leases	Total
Net (Debt) as at 31 December 2021	9,044,811	(74,851)	8,969,960
Cash flows	(1,819,130)	0	(1,819,130)
Lease principle falling due	0	19,597	19,597
Net (debt) as at 31 December 2022	7,225,681	(55,254)	7,170,427

THE FELIX PROJECT (A COMPANY LIMITED BY GUARANTEE) NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

The Felix Project is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit 6, Kendal Court, Kendal Avenue, Park Royal, London, W3 0RU.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, 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) (effective 1 January 2019)". 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 group. Monetary amounts in these financial statements are rounded to the nearest £. The financial statements have been prepared under the historical cost convention. The principal accounting policies are set out below.

1.2 Basis of consolidation

The consolidated financial statements reflect the results and combined financial position of The Felix Project and its subsidiary undertaking The Felix Project Trading Company Limited. As permitted by s408 of the Companies Act 2006, the parent charitable company has not presented its own statement of financial activities (incorporating its income and expenditure account) and related notes.

1.3 Going concern

The Trustees' Report outlines the impact of current events on the charity and the group. The main risks faced by the charity as a result of the health crisis were a shortage of food, volunteers and/or funds. Due to the incredible response from the charity's suppliers, volunteers and donors, at the time of approving the financial statements, the trustees have a reasonable expectation that the charity and group 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.

1.4 Charitable funds

Unrestricted funds are funds which can be used in accordance with the charitable objects at the discretion of the trustees. Designated funds are funds which have been set aside out of unrestricted funds at the discretion of the trustees to ensure planned growth is sustainable and responsibly funded.

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.

1.5 Incoming resources

Income is recognised when the group 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. All other income is recognised in line with the above. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation. For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been

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finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

The value of services provided by volunteers has not been included in these financial statements. Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1.6 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of fundraising.
- Expenditure on charitable activities includes the costs of the delivery of its activities.
- Support costs are allocated across the fundraising costs and charitable activity.

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses. Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

- Depot infrastructure and refurbishment 20% straight line
- Equipment and Machinery 20% straight line
- IT Equipment and Software 33% straight line
- Motor vehicles 25% straight line

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.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible 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).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of six months or less.

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1.10 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.

1.11 Leases

Assets that are held by Company under leases which transfer to the Company substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Company are classified as operating leases.

Finance leases

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss.

Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

1.12 Employee benefits

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

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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.

1.13 Pensions

The charity contributes to a defined contribution pension scheme and contributions for the year are charged in the Statement of Financial Activities as they become due.

2 Critical accounting estimates

In the application of the group'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.

Critical accounting estimates made in the year include the valuation of Gifts in Kind and cost provisions.

More detail on the accounting policies in these areas is provided above.

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3 Donations and grants receivable	Consolidated and Charity			Consolidated and Charity		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	2022			2021		
	£	£	£	£	£	£
Fundraising events	163,164	0	163,164	20,054	54,400	74,454
Corporate and Partnerships	1,488,614	2,143,502	3,632,116	2,336,459	1,008,034	3,344,493
Trusts and Foundations	850,629	789,133	1,639,762	270,503	1,886,264	2,156,767
Government Grants	35,567	125,294	160,861	1,500	888,784	890,284
Major Donors	621,549	217,584	839,133	403,856	47,632	451,488
Individual Giving	639,873	0	639,873	768,731	44,498	813,229
Community and Challenges	253,763	0	253,763	299,694	6,012	305,706
Donated goods and services	94,044	0	94,044	276,720	0	276,720
	<u>4,147,203</u>	<u>3,275,513</u>	<u>7,422,716</u>	<u>4,377,517</u>	<u>3,935,624</u>	<u>8,313,141</u>

Included within the restricted funds column is £1,037,500 relating to the community freezer project.

Analysis of Donated goods and services	2022	2021
	£	£
Pro bono legal and professional fees	6,072	62,889
Pro bono software development consultancy	-	75,261
van hire, waste disposal and other capital assets donated	42,972	138,570
Advertising and marketing campaign services	45,000	-
	<u>94,044</u>	<u>276,720</u>

The Charity received/rescued donation of an estimated 12,147 tonnes of food for distribution during 2022 equivalent to an estimated 29 million meals (2021-12,832 tonnes, 30.5 million meals). In addition, 145k hours of volunteer time with an estimated equivalent cost of £1,609k was provided to the Charity (2021-119k hours, cost £1,293k). Neither donated food nor volunteer time are recognised in the accounts.

4 Income from other trading activity	2022			2021		
	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	£	£	£	£	£	£
Sale of donated goods	0	0	0	2,486	0	2,486
Income from other Trading activities	147,518	0	147,518	157,192.62	0	157,192.62
	<u>147,518</u>	<u>0</u>	<u>147,518</u>	<u>159,679</u>	<u>0</u>	<u>159,679</u>

5 Other Income	Unrestricted Funds	Unrestricted Funds
	2022	2021
	£	£
Gain on disposal of fixed assets	928	0
Property and other recharge income	38,633	40,653
Insurance proceeds	0	5,246
Bank Interest	25,053	866
	<u>64,614</u>	<u>46,765</u>

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6 Raising Funds

	2022	2021
	£	£
<u>Fundraising and publicity</u>		
Staff Costs	600,105	416,698
Other Fundraising and publicity expenditure	95,001	126,936
	<u>695,106</u>	<u>543,634</u>
Share of support costs (see note 8)	168,151	196,510
Share of governance costs (see note 8)	4,553	8,385
	<u>867,810</u>	<u>748,530</u>
Analysis by fund		
Unrestricted funds	867,810	748,530
Restricted funds	0	0
	<u>867,810</u>	<u>748,530</u>

7 Charitable Activities

	2022	2021
	£	£
Staff Costs	3,318,578	2,209,315
Other Charitable Expenditure		
-Operations	3,953,484	2,599,717
-Community Distribution	10,384	7,008
-Volunteer Management	39,016	18,345
	<u>7,321,462</u>	<u>4,834,385</u>
Share of support costs (see note 8)	1,594,216	1,129,932
Share of governance costs (see note 8)	43,164	48,216
	<u>8,958,841</u>	<u>6,012,534</u>
Analysis by fund		
Unrestricted funds	7,254,070	4,784,359
Restricted funds	1,704,771	1,228,175
	<u>8,958,841</u>	<u>6,012,534</u>

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8 Support Costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Staff Costs	1,028,523	2,688	1,031,211	704,815	30,470	735,286
Professional fees	150,003	0	150,003	140,989	46	141,035
IT and Communications	157,163	0	157,163	146,776	186	146,963
IT Strategy	0	0	0	106,657	0	106,657
Audit fees	0	31,800	31,800	0	23,410	23,410
Other support and governance costs	426,678	13,228	439,906	227,205	2,489	229,694
	<u>1,762,367</u>	<u>47,716</u>	<u>1,810,083</u>	<u>1,326,442</u>	<u>56,602</u>	<u>1,383,045</u>
Share of costs						
Raising Funds (see note 6)	168,151	4,553	172,704	196,510	8,385	204,896
Charitable Activities (see note 7)	<u>1,594,216</u>	<u>43,164</u>	<u>1,637,380</u>	<u>1,129,932</u>	<u>48,216</u>	<u>1,178,149</u>
	<u>1,762,367</u>	<u>47,717</u>	<u>1,810,084</u>	<u>1,326,442</u>	<u>56,602</u>	<u>1,383,045</u>

9 Consolidated net expenditure/ income for the year is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation	726,031	393,759
Loss or profit on disposal of fixed assets	(928)	0
Interest payable	3,146	4,063
Operating lease rentals payable:		
Property	708,052	608,620
Operating lease rentals receivable:		
Property	(30,611)	(40,653)
Auditor's remuneration (excluding VAT):		
Audit - current year	22,000	19,508
Other services	10,304	4,042

Other services from auditors include £1,040 in relation to VAT advisory.

10 Trustees and Related Party Transactions

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

No trustees have claimed expenses during the year. A trustee, David Hudd, provided pro bono legal work to the charity during 2022 valued at £6,072 (2021- £62,889). There were no other related party transactions in the year.

Aggregate donations from trustees were £675 in the year (2021- nil).

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11 Employees

Number of employees

The average monthly number of employees during the year was:

	2022	2021
	Number	Number
Raising funds	12	12
Charitable activities	111	69
Support	20	12
	<u>143</u>	<u>93</u>

Employment costs

	2022	2021
	£	£
Wages and salaries	4,061,263	2,636,227
Social security costs	397,735	252,864
Other pension costs	172,553	100,578
	<u>4,631,551</u>	<u>2,989,669</u>

The Key Management Personnel detailed in the trustees report received total employee remuneration in the year of £467,488 (2021-£338,626).

The following number of employees received annualised employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2022	2021
£150,000-£160,000	0	1
£100,001 - £110,000	1	0
£90,001 - £100,000	0	0
£80,001 - £90,000	1	0
£70,001 - £80,000	2	2
£60,001 - £70,000	3	2

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12 Intangible Fixed Assets

	Consolidated and Charity		
	IT Software	Software development in progress	2022
	£	£	£
Cost			
At 1 January 2022	303,480	41,690	345,170
Additions	15,485	0	15,485
Transfers	41,690	(41,690)	0
At 31 December 2022	<u>360,655</u>	<u>0</u>	<u>360,655</u>
Depreciation			
At 1 January 2022	93,256	0	93,256
Depreciation charge for the year	114,061	0	114,061
At 31 December 2022	<u>207,317</u>	<u>0</u>	<u>207,317</u>
Total			
At 31 December 2022	<u>153,338</u>	<u>0</u>	<u>153,338</u>
At 31 December 2021	<u>210,224</u>	<u>41,690</u>	<u>251,914</u>

IT Software additions in the year comprise of costs of the build for a Community Portal - a piece of software that is designed to manage beneficiaries in an efficient manner.

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13 Tangible Fixed Assets

	Consolidated and Charity						2022
	Depot Costs	Vehicles	IT Equipment	Equipment and Machinery	Kitchen Equipment	Fixed Assets under Construction	
	£	£	£	£	£	£	£
Cost							
At 1 January 2022	851,745	836,727	98,341	716,655	218,728	47,660	2,769,856
Additions	454,496	424,780	9,207	360,296	7,908	0	1,256,687
Reclassifications	0	0	0	0	0	(9,320)	(9,320)
Disposals	0	0	(258)	(27,690)	0	0	(27,948)
At 31 December 2022	1,306,241	1,261,507	107,290	1,049,261	226,636	38,340	3,989,275
Depreciation and Impairment							
At 1 January 2022	95,203	410,782	35,442	165,758	17,114	0	724,299
Depreciation charge for the year	216,227	168,300	27,449	155,620	44,374	0	611,970
Accumulated depreciation on asset disposals	0	0	(285)	(26,306)	0	0	(26,591)
At 31 December 2022	311,430	579,082	62,606	295,072	61,488	0	1,309,678
Total							
At 31 December 2022	994,811	682,425	44,684	754,189	165,148	38,340	2,679,597
At 31 December 2021	756,543	425,945	62,899	550,898	201,614	47,660	2,045,558

Motor vehicles with a net book value at 31 December 2022 of £53,579 (2021-£82,804) are held through finance lease arrangements.

14 Investment in Subsidiary
Charity only
 Shares in group subsidiary

2022	2021
£	£
1	1

The charity holds the entire £1 share capital of its trading subsidiary, The Felix Project Limited.

15 Debtors

	Consolidated	Restated	Charity	Restated
	2022	Consolidated	2022	Charity
	£	2021	£	2021
Amount falling due within one year:				
Trade debtors	365,541	498,451	369,278	492,651
Other debtors	345,904	294,852	348,590	296,661
Prepayments and accrued income	1,392,496	2,073,035	1,387,496	2,073,035
	2,103,941	2,866,338	2,105,364	2,862,347

Other debtors includes an amount of £136,973 (2021- £136,973) due in more than one year (see note 17).

The Charity debtors figure contains £10,185 of intercompany debt (2021 £8,010).

16 Creditors: Amount falling due within one year:

	Consolidated	Consolidated	Charity	Charity
	2022	2021	2022	2021
	£	£		
Trade creditors	269,932	332,480	269,932	332,480
Other creditors	80,902	72,494	57,046	70,400
PAYE and Social Security	110,497	84,475	110,497	84,475
Accruals and deferred income	461,582	426,267	449,963	423,767
	922,913	915,716	887,438	911,122

Other creditors includes an amount of £20,558 (2021-£19,596) being amounts due within a year for finance leases.

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17 Creditors amounts falling due after more than one year

	Consolidated and Charity	Consolidated and Charity
	2022	2021
	£	£
Finance leases (1 to 5 years)	34,697	55,255
	<u>34,697</u>	<u>55,255</u>

18 Provision for other liabilities

	Consolidated and Charity			
	At 1 January 2022	Addition in year	Released in year	At 31 December 2022
	£	£	£	£
Dilapidations provision	195,000	60,000	0	255,000
Property and vehicle repairs provision	0	86,600	0	86,600
Rent review provision	0	12,500	0	12,500
Total	<u>195,000</u>	<u>159,100</u>	<u>0</u>	<u>354,100</u>

The dilapidations provision represents the Charity's estimated liability for dilapidations on the Deptford and Park Royal depot leases. The remaining provisions relate to depot and vehicle maintenance costs.

19 Bank Debenture

A debenture is in place over all assets of the charity to cover liabilities for card facilities, a BACS limit of £300,000 and foreign cheque negotiation up to £20,000. At the year end an amount of £1,778 (2021: £18,115) was owed in respect of the card facilities.

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20 Restricted funds

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

Consolidated and Charity					
Movement in funds					
2022	Balance at 1 January 2022	Incoming Resources	Resources Expended	Transfers	Balance at 31 December 2022
	£	£	£	£	£
Equipment / Capital	212	0	(212)	0	0
Schools Programme	78,044	288,000	(55,523)	0	310,521
Felix's Kitchen	951,428	796,234	(961,630)	(100,000)	686,032
Transport and Vans	556,577	80,000	0	(106,577)	530,000
New East London Depot	118,340	205,560	(282,359)	(28,058)	13,483
FareShare Funding (General)	2,776	48,500	(48,500)	0	2,776
Enfield Refurbishment	0	512,792	0	(512,792)	0
Across Operations	70,020	258,371	(269,563)	0	58,828
New depot - WRAP 2	88,386	48,556	0	(136,942)	0
Community Freezer Project	0	1,037,500	(86,984)	0	950,516
Totals	1,865,784	3,275,513	(1,704,771)	(884,369)	2,552,156
2021	Balance at 1 January 2021	Incoming Resources	Resources Expended	Transfers	Balance at 31 December 2021
	£	£	£	£	£
Equipment / Capital	20,355	3,218	0	(23,361)	212
Schools Programme	21,869	120,005	(63,826)	0	78,048
Central London Operations	0	5,000	(5,000)	0	0
Volunteers	0	10,000	(10,000)	0	0
New East London Depot	100,000	251,707	(162,575)	(70,794)	118,339
Transport and Vans	22,192	556,577	(22,192)	0	556,577
Purchase of Food	0	30,000	(30,000)	0	0
Technology	68,981	0	(22,233)	(46,748)	0
Felix's Kitchen	460,000	1,677,098	(477,938)	(707,734)	951,426
Frozen food - WRAP 1	(19,503)	97,715	(44,695)	(33,517)	(0)
FareShare Funding (General)	0	54,558	(51,782)	0	2,776
Enfield Operations	0	5,000	(5,000)	0	0
Across Operations	3,739	388,878	(322,598)	0	70,020
New depot - WRAP 2	0	735,867	(10,336)	(637,144)	88,386
Totals	677,633	3,935,624	(1,228,174)	(1,519,298)	1,865,784

The transfer between funds amounting to £884K represents the value of donations to the charity restricted to the purchase of capital assets.

Once capital assets are purchased the restriction has been complied with, resulting in a transfer of the value of the assets purchased from restricted to unrestricted.

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21 Designated funds

	Consolidated and Charity				
	Balance at 1 January 2022 £	Utilised £	Un- designated £	New designation £	Balance at 31 December 2022 £
Impact Growth Fund	3,080,712	(980,367)	(2,100,345)	0	0
Investments	1,802,684	(390,422)	(1,412,262)	0	0
Fixed assets	2,297,472	0	0	535,463	2,832,935
Totals	<u>7,180,868</u>	<u>(1,370,789)</u>	<u>(3,512,607)</u>	<u>535,463</u>	<u>2,832,935</u>
	Balance at 1 January 2021 £	Utilised £	Un- designated £	New designation £	Balance at 31 December 2022 £
Impact Growth Fund	3,052,320	0	0	28,392	3,080,712
Investments	2,201,379	(398,695)	0	0	1,802,684
Fixed assets	684,482	0	0	1,612,990	2,297,472
Totals	<u>5,938,181</u>	<u>(398,695)</u>	<u>0</u>	<u>1,641,382</u>	<u>7,180,868</u>

The amounts utilised during the year represent funds spent as set out by the trustees at the beginning of the year. The trustees have included the Charity's fixed assets as designated funds. The trustees have determined that the general unrestricted fund should be used to support business continuity and as such have undesignated the funds remaining in the Impact Growth and Investment designated funds.

22 Analysis of net assets between funds

	Consolidated and Charity		
	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 December 2022 are represented by:			
Intangible fixed assets	153,338	0	153,338
Tangible fixed assets	2,679,597	0	2,679,597
Net current assets/(liabilities)	5,854,554	2,552,156	8,406,710
Creditors amounts falling due after more than one year	(34,697)	0	(34,697)
Provision for other liabilities	(354,100)	0	(354,100)
	<u>8,298,692</u>	<u>2,552,156</u>	<u>10,850,848</u>
	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 December 2021 are represented by:			
Intangible fixed assets	251,914	0	251,914
Tangible fixed assets	2,045,558	0	2,045,558
Net current assets/(liabilities)	8,933,650	1,865,784	10,799,434
Creditors amounts falling due after more than one year	(55,255)	0	(55,255)
Provision for other liabilities	(195,000)	0	(195,000)
	<u>10,980,868</u>	<u>1,865,784</u>	<u>12,846,652</u>

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23 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows

	Consolidated and Charity 2022	Consolidated and Charity 2021
	£	£
Within one year	573,536	485,217
Between two and five years	1,582,452	1,628,687
In over five years	737,540	1,048,051
	<u>2,893,528</u>	<u>3,161,955</u>

24 Results from Trading Activities of Subsidiaries

The charity has a wholly owned trading subsidiary, The Felix Project Trading Company Limited (registered company number 11824361). The taxable profits from 2022 are donated to the Felix Project by Gift Aid. The Felix Project's investment in the share capital is £1. (Audited) financial statements have been filed with the Registrar of Companies

The Felix Project Trading Company Limited (registered company number 11824361) Summary Profit and Loss account	2022	2021
	£	£
Turnover	150,347	157,213
Cost of Sales	(3,541)	(15,587)
Gross Profit	146,806	141,626
Administrative Expenses	(10,918)	(9,137)
Operating Profit/Profit before Taxation	135,888	132,489
Tax on profit on ordinary activities	(6,173)	-
Profit For the Financial Year After Taxation	<u>129,716</u>	<u>132,489</u>
 The assets and liabilities		
Current assets	175,376	145,093
Current liabilities	(45,660)	(12,603)
Total net assets	<u>129,716</u>	<u>132,489</u>
 Share capital	<u>1</u>	<u>1</u>

Excluding its subsidiary, the charity's income for 2022 is £7,624,490 and the net outgoings for the year is £2,189,273

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2022

25 Prior year adjustment

When reviewing the income recognition for 2021, it was noted that income relating to an agreement with Streetsmart should be recognised at the point it is raised by the partner, rather than when the funds are paid to the charity. Funds had not been appropriately accrued into the 2021 accounts and as the amount was considered material to the accounts, an adjustment to the prior year figures has been made and the balances restated.

Reserves position	Restricted	Unrestricted	Total
	31 December 2021		
	£	£	£
Funds previously reported	1,865,784	10,980,868	12,846,652
Prior period adjustment			
Recognition of 2021 Streetsmart	0	196,000	196,000
Restated funds balance	<u>1,865,784</u>	<u>11,176,868</u>	<u>13,042,652</u>
 Impact on movement in funds			
	Restricted	Unrestricted	Total
	31 December 2021		
	£	£	£
Net movement in funds as previously reported	1,188,151	374,370	1,562,521
Prior period adjustment			
Recognition of 2021 Streetsmart	0	196,000	196,000
Net movement in funds as restated	<u>1,188,151</u>	<u>570,370</u>	<u>1,758,521</u>

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Appendix A: Partner Acknowledgement

Our progress in fighting food waste and food poverty would not have been possible without the support of all our contributors and donors. We would like to say thank you to all of our partners including:

Advent International	Philip King Will Charitable Trust
Ambassadeurs Group	PWC
Barnett and Sylvia Shine Charitable Foundation No.2	Queen Anne's Gate Foundation
Belvedere Trust	RCRT Foundation
BESA	ReLondon
Black Lines Drinks	Robert Barr Charitable Trust
BlackRock	Rothschild Foundation
Blavatnik Family Foundation	Royal Borough of Greenwich
Boodle Hatfield	Salisbury New Pool Settlement Charitable Fund
Capital Generation Partners	Schroders
Casa Stella	Seacontainers
Catalyst Housing	Sipsmith
City Bridge Trust	St James's Place Charitable Foundation
Coco Di Mama	The 29th May 1961 Charitable Trust
Credit Suisse	The Albert Van den Bergh Charitable Trust
Crown Real Estate	The Aridev Foundation
Crxss Management	The Atlas Fund
DASH	The Band Trust
David and Ruth Lewis Family Charitable Trust	The Barratt Developments PLC Charitable Foundation
Fidelity	The Batchworth Trust
Fortnum and Mason	The Carpenter Charitable Trust
Garfield Weston Foundation	The Charity of Stella Symons
Glendower Capital/CVC	The Chellaram Foundation
Goldman Sachs	The Childhood Trust
GreenJinn	The CMF Charitable Trust
Guy's & St Thomas' Foundation	The Coral Samuel Charitable Trust
Hello Fresh	The Cranswick Charitable Trust
Highfields Trust CIO	The Dyers' Company Charitable Trust
ICAP	The F G Roberts Charitable Trust
Inner London Magistrates' Court's Poor Box and Feeder Charity	The February Foundation
Investec	The Gemini Trust
Islamic Relief Fund	The Gosling Foundation Ltd
JA Clark Charitable Trust	The Grace Trust
Jera Global Markets	The Hollick Family Foundation
Joron Charitable Trust	The Hosking Charitable Trust
Julius Baer	The J P Jacobs Charitable Trust
Knight Frank	The Jagclif Charitable Trust
Lane Clark Peacock	The Jansen Foundation
Lime	The Julia and Hans Rausing Trust
London Borough of Brent	The Linbury Trust

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Appendix A: Partner Acknowledgement

London Borough of Enfield	The Locker Foundation
London Borough of Lambeth	The Loveday Charitable Trust
London Borough of Lewisham	The Mackintosh Foundation
London Borough of Newham	The Peter and Elisabetta Mallinson Trust
Masonic Charitable Foundation	The Peter Stormonth Darling Charitable Trust
Maverick	The Pilgrim Family Charitable Trust
McLain Family Foundation	The Portmore Charitable Trust
Michael Marks Charitable Trust	The Sisi & Savita Trust
Mission 44	The Sterry Family Foundation
Montier Charitable Trust	The Tanlaw Foundation
Morgan Stanley	The Thompson Family Charitable Trust
Mukul Madhav Foundation UK	The Tresanton Trust
Mulberry	The Vandervell Foundation
Northern Trust	The Volant Charitable Trust
Oak Foundation	The Westminster Foundation / Grosvenor
Ocado	The William Allen Young Charitable Trust
Orange Tree Trust	Tower Hill Trust
P F Charitable Trust/The Fleming Family	Unilever
Partners Capital	Vovos Better World Fund
PayPal	Westfield
Pennington Manches Cooper	Young Camden Foundation

THE FELIX PROJECT

England & Wales - Charity number 1168183

Accounts

Charity Registration No. 1168183

Company Registration No. 10068253 (England and Wales)

THE FELIX PROJECT
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**THE FELIX PROJECT
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TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT AND 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 charity's Memorandum and Articles of Association, 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)" (effective 1 January 2019).

Our Vision and Mission

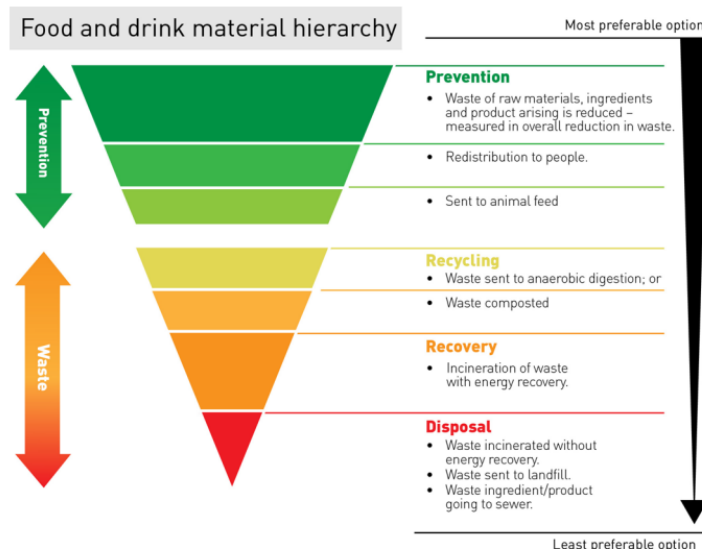
The Felix Project's vision is 'a London where no one is hungry and good food is never wasted'. Our mission is to get good quality, nutritious food to people in need by making use of the surplus food in the UK's food supply, saving it from becoming waste and harming the planet.

What we do

The Felix Project is a London-based UK charity set up in 2016 by entrepreneur, Justin Byam Shaw and others.

One third of the food produced globally is wasted and contributes between 8 – 10% of total man-made greenhouse gas (GHG) emissions. When food is wasted, all the energy and resources that have been put in to growing, manufacturing, packing, labelling, processing and transporting that food also get wasted; they have been created for no reason, and the food has not been used for its intended purpose. Taking water as an example, 70% of fresh water globally is used for agriculture, and 8 out of the top 10 countries that the UK sources fruit and vegetables from are drought prone (<https://wrap.org.uk/taking-action/food-drink>). The wastage of food is a huge problem on a global scale.

In the UK, 31% of the food that is wasted comes from the manufacturing, hospitality and food service, and retail sectors (waste from farms is not included in this calculation). And in London, 67% of wasted food is edible, yet only 0.5% is redistributed. Charitable redistribution of food is considered by The Waste and Resources Action Programme (WRAP) as one of the most preferable options for surplus food. It sits, along with commercial routes and animal feed production, in the prevention section of WRAP's Food and Drink Material hierarchy (below).



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We rescue good food that cannot, or is not, used and would otherwise not be eaten. This food is deemed to be surplus within the professional food industry, but is good quality, and perfectly fit for human consumption. The food we redistribute includes a high proportion of fresh vegetables, bread and baked goods, meat, fruit and fish, however we redistribute all types of food including ambient (does not require refrigeration), chilled (requires refrigeration) and frozen. We collect and receive food from organisations from all stages of the food supply chain – farms and growers, manufacturers, pack houses and distributors, transporters, wholesalers, supermarkets, other retailers, restaurants, hospitality and other 'Food to go' outlets.

We sort and then redistribute this food free of charge to community organisations across London that cook meals, prepare food, or provide food parcels for their communities. Many of the individuals supported by these organisations are those who are at risk of hunger and malnutrition, or social isolation. This includes those from the homeless and rough sleeper community, families from socio-economically disadvantaged communities and households, including those without recourse to public funds or support, and people who are supported because of physical and/or mental health challenges. It also includes refugees, asylum seekers, children, women who are escaping domestic violence and/or are victims of trafficking, people being supported as they are experiencing addiction or other similar challenges and older people who are isolated and/or experiencing loneliness.

At the start of 2021, we had three depots, in Park Royal (West London), Enfield (North London) and Deptford (South-East London). We also had a Central London operation that has electric vans parked in strategic locations and also offers routes that are carried out either on foot or on bicycle. The exciting new addition during the year, was the huge investment we made, thanks to our incredible partners, in to opening both a depot and a kitchen in Poplar (East London), in the borough of Tower Hamlets.



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We also have a schools programme that provides food to primary schools for distribution to children and families who may not be able to access good quality nutritious food. One of the key components to our schools programme is the educational content. We teach the school community about the impact that food has on the environment during its production, the negative impact it has if it goes to landfill and, importantly, the importance of eating our food rather than wasting it. During the school holidays children that would usually be receiving one and in some cases, two meals per day at school, do not receive these meals as schools are closed. The need to put more food on the table as well as pay for childcare commitments creates huge amounts of financial pressure on many households. We therefore ensure that the food that would be delivered to a school during term time is sent to organisations that support children over the holidays. These organisations run activities and provide opportunities for learning and socialisation, as well as providing a safe space for children and importantly, a healthy meal.

The Felix Project saw another rapid increase in activity in 2021, due largely to the Covid-19 pandemic and the associated need for food and support in London and has received an extraordinary level of support. The charity redistributed 12,800 tonnes of food – the equivalent to 30 million meals (1 meal = 420g). This is a like for like increase of 70% vs the previous year (2020).

Our work in 2021

The pandemic had a profound and significant impact on the charity during 2020, and this continued throughout 2021. London Mayor Sadiq Khan declared the Covid-19 crisis a 'major incident' in January 2021, and again in December 2021 due to a new rapidly spreading variant. Community organisations that had closed their operations gradually reopened, which increased the demand for food deliveries from Felix. At the same time, furlough ended and people returned to work, which meant our pool of volunteers and their availability dramatically reduced.

However, the rise in food prices and the cut of the £20 uplift in Universal Credit both contributed to the numbers of those experiencing poverty in London increasing. This was seen in the demand for food at our community organisations. Added to the external factors that shaped our year in 2021, the haulage crisis resulted in a shortage of an estimated 100,000 haulage drivers. This disrupted (amongst other things) the food supply chain, affecting the amount of food Felix was able to access.

To this difficult set of circumstances – rising demand alongside reduced workforce and reduced food levels - our determined and resilient team of staff, volunteers, Trustees and partners responded. We added more van routes to our schedule and worked hard to source as much food as we could. As a result, we redistributed the equivalent of 30 million meals of surplus food to community organisations across London, an astounding like-for-like increase of 70% on 2020.

We remained highly focused on a cause-driven approach; our dual mission meant that we prevented 12,800 metric tonnes of food from going to waste. The greenhouse gases (GHGs) involved with the production, manufacture, packaging and transport of this food is estimated at 32,500 tonnes. By redistributing this food, those GHGs have not been produced needlessly, and we have also ensured that the additional emissions that are created when food goes to landfill have been averted.

We partnered with 1,011 community organisations throughout 2021, supporting them with provision of a range of produce, from fresh vegetables, fruit and salad to meat, dairy and fish. By partnering with The Felix Project these organisations save vital funds that they can spend on other areas of their work. Whether it is a market stall at a school, a hot meal shared with others, a food parcel collected, a hot cup of tea or coffee drunk or food used in a cooking session, our partner organisations work with an estimated 434,700

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individuals every week. We are proud to support them all and are proud to work with community organisations that work with such a diverse range of people, including people with supported needs, the elderly, children and youth, refugees and asylum seekers, the homeless, and people recovering from substance abuse and addiction.

East London Depot and Kitchen

In Tower Hamlets, East London, thanks to some incredible donors and partners including the Evening Standard's Dispossessed Fund and The London Community Foundation, The Resource Action Fund and the Scheinberg Relief Fund, we opened our 9,000 ft² flagship depot in July, followed by our custom-built professional 4,400 ft² production kitchen in August. The Resource Action Fund is an £18 million fund, provided by Defra and managed by WRAP, which supports resource efficiency projects in England in the key areas of food, plastics, textiles, recycling and litter. We received a large scale Food Waste Prevention Grant through this fund to establish the new depot in Poplar. It has been exciting to see our expansion plans to open a new depot in East London coming to fruition, and our innovative new kitchen, which is enabling us to rescue more food and find new ways to provide food for redistribution to communities across London.

The depot was up and running immediately, with vans delivering and collecting food to community partners and suppliers all over East London. With its own fleet of refrigerated vans, the depot has already redistributed the equivalent of 2.8 million meals and in just 5 months Felix's Kitchen has created hundreds of different meals and 335,000 individual portions of food that have been received and enjoyed at our community partners.

In London, many people cannot cook a meal for themselves. This happens for many reasons – physical restrictions, lack of equipment or fuel, lack of access to ingredients, lack of knowledge or skills, impaired mental ability, lack of time, lack of housing to name but a few. Our own kitchen gives us the opportunity to make healthy, nutritious, and delicious home-cooked meals using raw surplus ingredients, to support the people across London that cannot make their own.

Our kitchen also allows us to save more surplus food from our food suppliers. Due to the nature of The Felix Project, we work with a diverse range of food companies. Sometimes the produce we are donated is difficult to pass on due to its size – larger catering packs of mayonnaise, huge sacks of flour, for example. The kitchen gives us the opportunity to use food in industrial sizes for its intended purpose – to create wonderful meals for people.

Felix's Kitchen is the largest of its kind in London and we are delighted that it has already been recognised by ReLondon, the Greater London Authority (GLA) and the Ellen McArthur Foundation as a Circular Food Pioneer Project, which was announced at COP26 in Glasgow. The meals made at the kitchen are varied – 670 different recipes have been created so far - and the team has worked hard to ensure that a range of meals are culturally relevant as well as delicious and nutritious, celebrating the diverse community of London.



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Operations

During 2021 we continued to grow and develop our core operations. We now have four depot locations in London in Park Royal (West), Enfield (North), Poplar (East) and Deptford (South-east). In addition to the Park Royal and Enfield depots that Felix operated during 2020, the site in Deptford was previously run by FareShare. As part of the partnership that was finalised in 2020, we have now taken over the Deptford depot into our network and have been working throughout the year to welcome and support the team in Deptford and incorporate systems and processes that were new to this depot. The depot in Poplar is situated in the borough of Tower Hamlets, which was identified by research conducted in 2020 as one of four boroughs that have the highest number of people at risk of food insecurity. We designed this warehouse using the knowledge built up over the last four years, and it is our largest depot yet. The 9,000 ft² space has custom-built refrigeration units large enough to receive, sort, pick and store large volumes of produce, and a custom-built freezer which will enable us to redistribute more frozen produce that we have before.

Next to the Poplar depot, we also designed and built a professional kitchen that has the capacity to make 5,000 meals per day using ingredients donated by The Felix Project's suppliers. Felix's Kitchen opened in August and has been making meals 6 days a week, producing 335,000 meals in 2021. The meals are created by a team of professional chefs with years of experience, alongside our volunteers both from the local community and from our corporate partners. Every day different recipes are created according to the food that is available and our volunteers support the kitchen team and help during the packing and labelling process.

The depot and kitchen in East London have helped us to extend our coverage across London and heightened our ability to reach communities that are particularly in need. A big logistical exercise took place that re-allocated community organisations to their closest Felix depot, according to their geographical location. Therefore, the opening of the new site freed up capacity at our Enfield and Deptford depots, meaning we are now able to onboard the community organisations that are currently waiting to become beneficiaries, allowing us to spread our impact across more organisations in those areas.

We continue to run our successful Central London operation, which offers routes in electric vans, on foot or on bicycle. Called the 'Green Scheme' due to the lower carbon footprint associated with driving electric vans and travelling on foot or bike, we collect food from businesses such as Pure, Waitrose, Co-op, Daylesford, and Fortnum & Mason etc. as well as restaurants such as Ottolenghi. At the beginning of the year most of our suppliers in Central London were supermarkets and companies preparing food for us specially, as well as food from depots. As soon as non-essential food outlets started re-opening and catering companies and kitchens welcomed staff back on-site this started to change, and we re-commenced some of the routes that collect food from food-on-the-go establishments.

In 2021 we also established a new department within the organisation – Community Engagement. Broadly speaking, the Community Engagement team's focus is to onboard community organisations and to develop and maintain relationship with partners across London. This includes the partners we deliver to but also partnerships that will help us to develop a role in London's circular economy.

Health and Safety

Health and Safety has been prioritised within The Felix Project during 2021. We have expanded to operate in 5 physical locations and have responsibility for a growing number of staff and volunteers. Not only must we meet all legislative obligations, but we also have a duty of care to our growing team, through safe working

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practices and quality training so that their work can be carried out in a safe environment, be that in one of our warehouses, Felix's Kitchen, or whilst out collecting or delivery food in one of our vehicles.

After a short appointment to the post of Health and Safety Manager was made in October, we researched and commissioned a consultancy in late November to support us to carry out a full H&S audit throughout the organisation. John Ashton, from VJA Consultancy, is now working alongside key members of the operations team. He has visited each of our sites and carried out an initial audit of our H&S practices, policies, and procedures. Initial observations for each site have been issued and the in-depth review of Felix's H&S policies and maintenance records is now in progress.

Each of our depots and Felix's Kitchen are registered as food businesses with their respective local Environmental Health Departments. They are subject to visits at any point within a 3-year period. Due to our partnership with FareShare, we are also subject to inspections by their food safety auditors, NSF. We are striving to ensure that Health and Safety is at the top of the agenda in meetings, and that any individual involved with Felix in any way, be that a food supplier, volunteers, staff member, beneficiary organisation, or visit to the depot, has a safe experience.

Technology

We are pleased to report that investment in technology infrastructure and skills in the past two years is already delivering real and substantial benefits to The Felix Project, and our journey along our Technology Roadmap continued apace.

As a result of our partnership with FareShare, we implemented the stock management system, called GLADYS, that is used in other FareShare regional centres. This was a major project that has resulted in huge improvements in our ability to log, track, dispatch, and report on the food we redistribute. The system provides us the ability to accurately report on volumes of food, types of produce, where the produce comes from, and to which organisation it is sent.

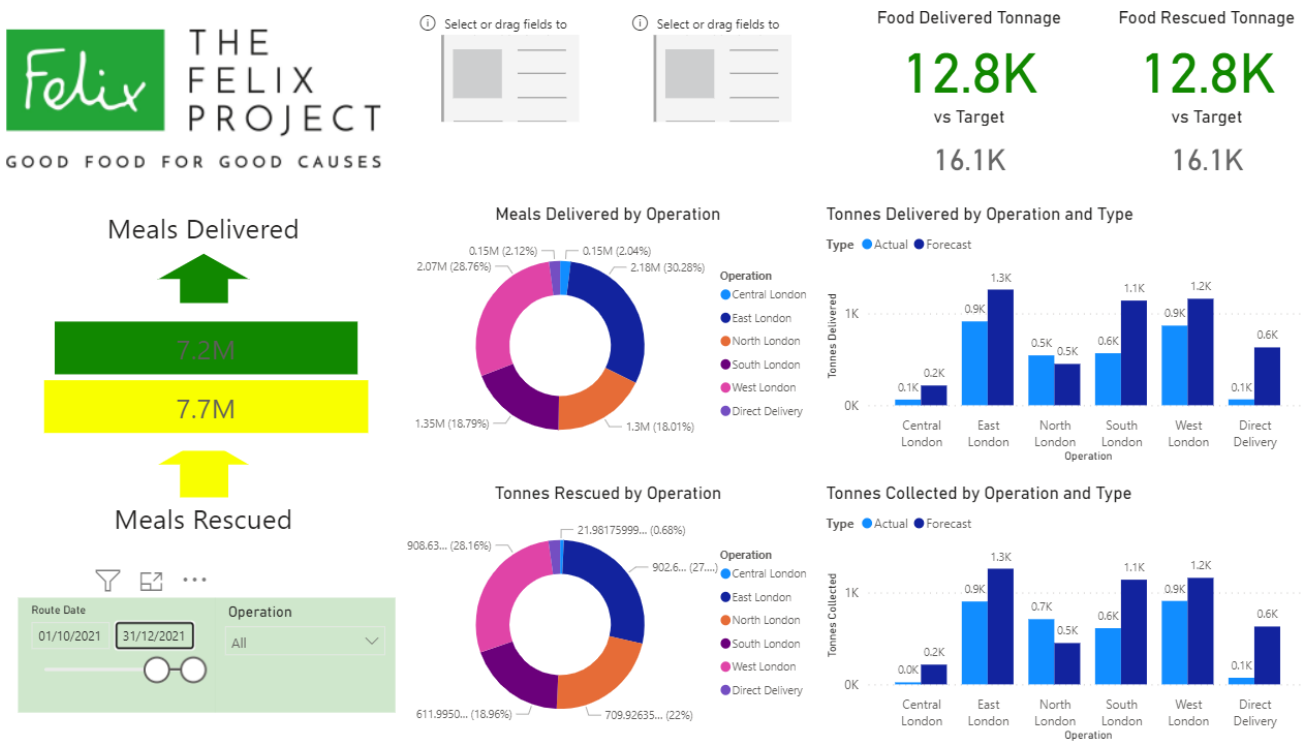
We also continued progress of our digital transformation. Building on our foundational Microsoft platform initiated in 2020 we have now implemented three major projects that are transforming our logistical operations, volunteer management and fundraising. For example, by consolidating supporter records and adopting new tools for marketing automation we ran our 2021 Christmas Appeal entirely in-house and raised 200% more than expected, as well as acquiring a substantial number of new recurring donors.

By taking discrete and related steps we have progressively built an integrated source of data across the whole organisation, enabling us to much better understand when, where and how we engage with our partners and stakeholders, and avoiding duplication and error. Furthermore, our teams have embraced the value of data and effective processes wholeheartedly. In less than two years Felix has evolved from a paper-based organisation with delayed reporting, to remote data capture and live dashboards (example below) with data-based decision-making.

Looking ahead we have great ambitions to further accelerate our adoption of digital technology as we reach out more to our supporters, volunteers and partner organisations with portals, apps and tools that will extend the accessibility and value of our technology for everyone in the Felix Community. The whole organisation is now committed to data and insight as the basis for managing resources to achieve our goals with maximum efficiency.

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Supply

Our food volumes throughout Q1 were consistently high. Our food collection during this period was bolstered by the support from the government (DEFRA) that saw 1,320 tonnes of food purchased in response to the pandemic, to help food redistribution charities across the UK meet the soaring demand. This additional support ended in March and the reduction in food volumes can be seen clearly in Q2. In addition, the implementation of GLADYS (our stock management system), established that we have historically overstated the meals/tonnage of food we redistribute by as much as 30%.

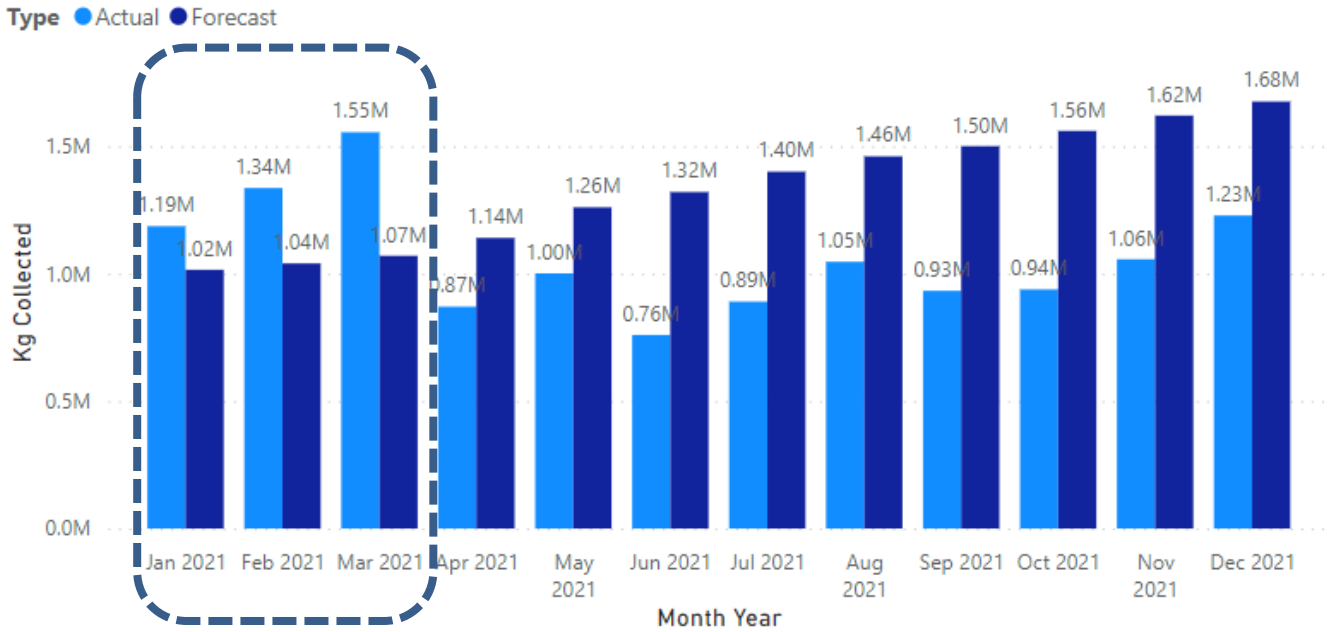
Our Supply team worked hard to address the reduction in food volumes felt after DEFRA funding ceased. Throughout the year they found 74 new food suppliers, which not only redressed falling volumes but allowed us to support even more community organisations across London. In addition to our own supply partnerships, 2021 was the first full year we received food through the FareShare network. This partnership saw 5,384 tonnes of food (40% of total food rescued) delivered into our depot network, which bolstered our ability to help more Londoners through our network of community organisations.

As well as our new partners, we continued to work with suppliers that we have formed excellent relationships with. Our largest supplier Hello Fresh opened a new site from where we collect up to 24 pallets on a weekly basis. We have concentrated on moving from transactional relationships with our suppliers to more mature partnerships, which has allowed us to work together in diverse ways, including volunteering, raising awareness, raising funds, and donating vans. We have also developed a partnership with Deliveroo and Co-op in which Deliveroo deliver food from Co-op stores directly to our depots.

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Tonnes Collected by Operation and Month



During this period:

- The forecast was based on previous methodology that overstated meals/tonnage by as much as 30%
- Food purchased through DEFRA was being received
- Food volumes were recorded using the old methodology

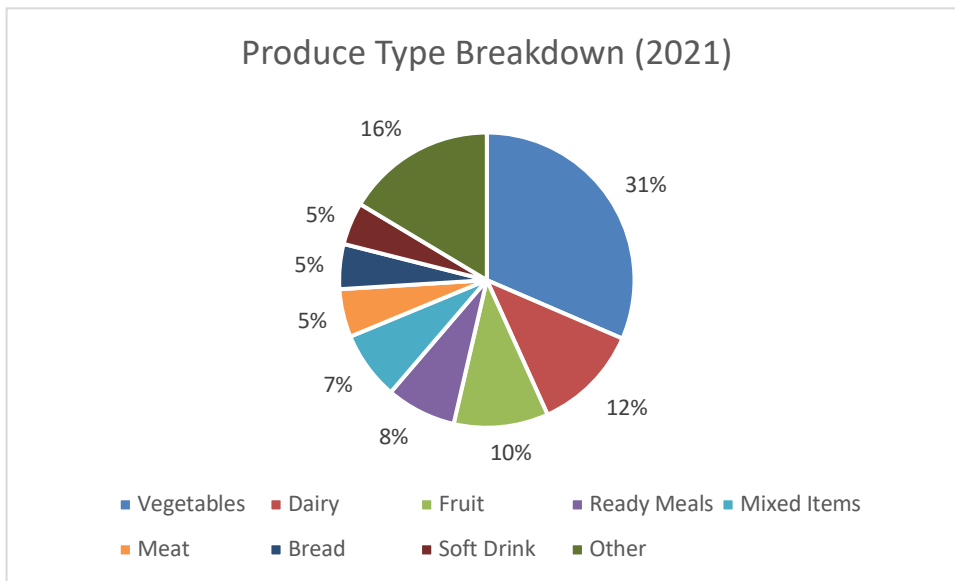
In order to simplify communication channels and build expertise within the supply team, we invested in staff and split responsibilities in to three key areas – supplier relationships, transport, and farm rescue. The new post of Transport and Logistics Manager was created, and members of the team focussed on specific food categories (e.g. frozen, chilled etc.). This has increased the team’s expertise and knowledge base, as well as being of benefit to the trade.

As well as our own vehicles that are driven predominantly by volunteers, to either collect or deliver surplus food, we grew our haulier capability, identifying a new partner to increase our ability to collect food we could not access before.

The Trustees would like to express their gratitude to all our food supply partners, without whom we would not be able to support any of the community organisations.

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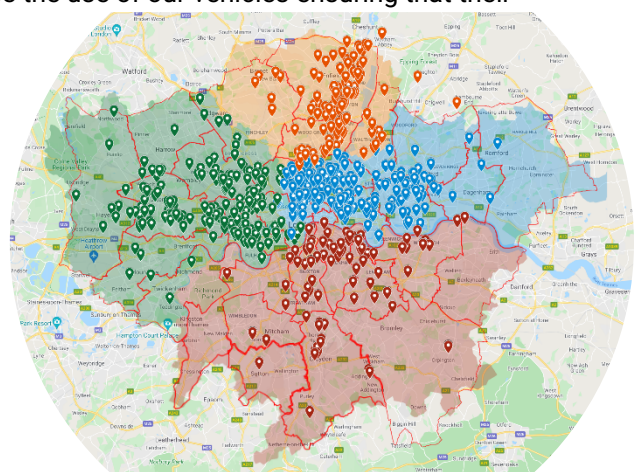
FOR THE YEAR ENDED 31 DECEMBER 2021



Community

The work we started at the beginning of the pandemic to form the London Food Alliance with FareShare and City Harvest continued throughout this year. We work in partnership with some of the London boroughs, and in some cases with community organisations, that have implemented hub models that allow larger amounts of food to be delivered to fewer locations. Some of these hubs operate on a collection model, where local community organisations collect produce from them rather than a Felix depot; some operate a delivery model. This has allowed us to reach more organisations and maximise the use of our vehicles ensuring that their capacity is utilised fully. In some cases, the boroughs collect produce directly from one of our depot locations, which is an even more efficient model, meaning our vehicles can be used to deliver food to other areas of London.

Onboarding more community organisations is fundamental to our growth and our ability to support the incredible work they do. Recruitment continued throughout the year, and we now work with over 1,000 schools, community centres, refuges, hostel, churches, holiday programmes and more. Despite our tireless work to reach as many organisations as possible throughout London, at the end of the 2021 our waitlist had 700 further organisations that are waiting to be onboarded. The locations of our Community Organisations throughout 2021 is shown on the map above.



Volunteering

Volunteers are at the forefront of our work at The Felix Project. We simply could not continue to achieve the results we do without the generous commitment of our volunteers' time, skills, and energy. They are crucial to the operation of our depots, central London operation and kitchen. In 2021 3,987 people donated their time to help us by driving vans, sorting food, cleaning or preparing orders in the warehouse, co-driving, or preparing or packing food in the kitchen.

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Despite the incredible numbers of people that helped us, we still struggled to recruit as many volunteers as we needed throughout the year. This is partly because our operation saw such a rapid rise in activity during the pandemic, meaning there were more shifts to cover (there was a 45% increase in the number of shifts between 2020 and 2021, 105 vs 233 respectively), and partly due to furlough ending, sickness due to Covid and some regular volunteers isolating. In September only 54% of shifts were filled by volunteers (80% shift coverage is our aim). This meant shifts were covered by existing or casual staff who had to be brought in at short notice.

We work hard to build a happy, rewarding, and safe environment for our volunteers. This includes providing training, opportunities for feedback through various mediums, social events, and the opportunity to get involved in other projects happening throughout the organisations.

Corporate volunteering (although restricted during the pandemic) is important to us and gives employers an opportunity to engage staff in a positive teambuilding experience with a difference. Frequently we receive feedback that the hands-on nature of a shift at Felix is a welcome break from a daily routine, and volunteers often comment on how shocked they are about the sheer volume of surplus produce that exists. The opening of Felix's Kitchen has complemented our corporate volunteering opportunities as we are now able to accommodate large groups of people and offer a different experience.

The Trustees would like to express their gratitude for the time, skills, and dedication of all our volunteers.

Staff

Investment in the staff team continued in 2021. Crucially, in 2021 we appointed Charlotte Hill OBE as our new CEO, to start in January 2022. Bernadette Thomas was recruited into the new role of Director of People and Culture to start in February 2022, and Ali Ball was recruited as Head of Technology and started in November 2021.

In December 2021, the Senior Management Team comprised of the CEO (interim), Finance Director, Director of Operations (interim), and the Director of Fundraising and Marketing, supported by the Heads of People and Volunteering, Technology, and Felix's Kitchen.

Additionally, new appointments across most departments of the organisation took place in line with our plans to keep supporting our growth. The average number of staff grew from 39 in 2020 to 93 in 2021, with 89 (FTE of 86) at the end of the year.

Kickstart Scheme and employability programme

The Kickstart Scheme provides funding to organisations to create new jobs for 16- to 24-year-olds on Universal Credit who are at risk of long-term unemployment. Since July 2021, The Felix Project has employed 17 young people through Kickstart. Felix's involvement with the scheme has benefitted the organisation in the following ways:

- **Operational support:** across all sites, having additional support from those on the scheme has enabled Felix to grow and expand its ambition. 15 of those on the scheme have been employed to directly support operations, each contributing 25 hours a week.

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- **Volunteer Team support:** the Volunteer Team has been supported by two young people from the programme. Their work has proved invaluable to the team.
- **Cost efficiency:** Felix has not only enjoyed the support of young talent but has benefitted from the scheme's funding which provides 100% of the National Minimum Wage (or the National Living Wage depending on the age of the participant) for 6 months.

'Pathways' is Felix's volunteer employability programme and has been running since January 2021. The programme is open to anyone aged 16 years plus and is designed to build confidence, develop skills, and provide routine for people who are long-term unemployed or interested in the warehouse industry. Those on the programme volunteer 3 full working days a week over a 12-week period. During this time, participants are provided with warehouse training and are given opportunities to spend time in an office environment in customer service roles. Felix also provides personalised support to help participants find work. Upon successful completion of the course participants will receive a nationally accredited forklift truck training.

The programme was first rolled out at the Deptford depot (which had previously held employability programmes when it was part of FareShare London). Of the 6 first participants, 3 are now employed by Felix while the other 3 have all found employment elsewhere.

Felix's vision is a London where no one is hungry and good food is never wasted. Employability programmes help Felix realise this vision through its core operations, by building the organisation's workforce. Additionally, by supporting people into employment, Felix is playing our small part to help tackling unemployment, a key factor in poverty and therefore food insecurity.

The Trustees would like to express their gratitude for the hard work of all the staff team across the year.

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Our Fundraising

The Trustees are grateful to all the corporate partners, foundations, trusts and individuals who supported our work in 2021. After the extraordinary generosity of donors in 2020 in response to the Covid-19 pandemic, we were overwhelmed by the continued commitment of so many of our partners and the huge number of people who were moved to fund our efforts which allowed us to not only deliver significant growth in the number of meals we were able to supply, but also to support the opening of a new depot in East London and Felix's Kitchen. Because of the continued commitment we received, we were able to invest in our Fundraising Team in 2021 which will ensure that we are able to drive the growth of the organisation for future years.

In 2021, we continued to place emphasis on long-term strategic relationships with individuals, foundations, trusts and corporate partners. We hope to diversify our income streams to increase our sustainability and support innovation and efficient working to reach demand across London. We are committed to employing the highest standards in our fundraising and are registered with the Fundraising Regulator.

Impact

2021, like 2020, continued to be dominated by Covid-19 and the impact of the pandemic, as well as the HGV crisis. We made progress on measuring impact but still have more to do. We appointed Anne Elkins as Head of Special Projects towards the end of 2021 with a remit to focus on this work in 2022 and beyond.

We continued to measure our outputs, and having implemented a new stock management system, we now have more certainty in the food volumes we collect and distribute. GLADYS has enabled us to log more detail about each consignment of food as it comes into our distribution network. Amongst other information, we now log the supplier, the produce type, the weight and the Use By or Best Before date. This is a vast improvement in the detail we could report on previously, and a huge increase in the accuracy of our reporting. As well as these benefits, we can now digitally trace the produce we redistribute, leading to more precise traceability practices.

The outputs we now measure provide some insight into, and evidence of, the outcomes we achieve as a result of the work we do. These are:

- According to WRAP (The Waste and Resources Action Programme), the amount of surplus food being redistributed in the UK has trebled between 2015 and 2020, with charitable routes making up 70% of the total food redistributed in 2020. The amount of surplus food redistributed in 2020 was more than 92,000 tonnes, the equivalent of 220 million meals. The Felix Project redistributed 21 million meals in that year which accounts for 10% of the total redistributed. (Note, there are no figures available for 2021 yet).
- The value of the food we delivered to community organisations in 2021 was £37.5 million. This is money that those organisations can direct to other frontline service areas for their guests eg. recruiting a staff member, providing training, investing in equipment, or training.
- We aim to reduce avoidable, edible food waste from across the food industry. We measure by weight how much food we are collecting and delivering. A proportion of the food we redistribute has been diverted from going to landfill, where it would have rotted down and produced greenhouse gases. We have therefore averted the release of greenhouse gases into the atmosphere. Furthermore, the emissions that were produced in the growing, manufacture, packing, and transport of the product (32,000 tonnes) have not been produced unnecessarily, as the produce has been used for its intended purpose.
- We track the number of suppliers (485) and charities (1,011) we work with. This gives us insight into the size and scale of our work and the number of organisations it takes to collaborate with us to bring about the outcomes we seek to achieve. It also helps us to demonstrate how many food businesses we work with to

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reduce their food waste and impact on the environment and how many charities and community organisations we support across London communities.

- We track the type of produce we redistribute, and we know that the largest category of produce we redistributed in 2021 was vegetables. This is key as we aim to improve well-being. By providing a high proportion of nutritious food, we are contributing to improved access to healthier food; many charities we work with also provide hot food and opportunities for the community to socialise with each other, reducing loneliness.
- We track the cost of moving food per tonne which enables us to track and improve our efficiencies as an organisation.
- We collect anecdotal information and interviews with guests/beneficiaries from our community partners which enable us to tell stories of the people and organisations our work impacts upon. We do this using traditional methods and increasingly using digital media to capture video and photography to bring real people's stories to life.
- We aim to build a sense of community for our own volunteers. By surveying our volunteers, we can see how working with The Felix Project makes a difference to hundreds of people from all walks of life.
- We provide valuable experience and training for people who are not currently in employment, education, or training (NEET) as a means for local people to gain skills, socialise and connect.

2022 and beyond

Following another year that saw our food redistribution levels increase hugely, the strain of consistent growth is starting to impact in our staff team. Recognising and addressing this we headed in to 2022 with the clear objective of enhancing our operational sustainability with a focus on "brilliant basics". The strategy we put in place in 2020 stays relevant and we are currently working to refresh it, picking up on impacts and opportunities that may need to be built in to the next three years of our strategic plan.

The cost-of-living crisis, however, continues. Rising inflation and increases in taxes and energy costs are set to leave millions worse off in 2022. In addition, the war in Ukraine has caused uncertainty over oil supply, pushing prices higher. The outlook is not great, and we know that there is more surplus food to rescue and deliver to community organisations that support individuals such as those that are seeking asylum due to war in their homeland, or those that are having to choose between heating or eating.

Our determination and resolve to redistribute as much surplus food as possible to community organisations across London remains, as does our vision of a London where no one goes hungry and good food is never wasted.

Our strategic priority goals for 2022 are:

- Stabilise the organisation after significant growth during the pandemic, across all departments, becoming more efficient and mastering the "brilliant basics" that will provide us a solid foundation on which to support future growth
- Optimise and standardise, where appropriate, our depot operations, continually improving our efficiency and effectiveness

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- Incorporate the findings of the workforce review conducted in 2021 with the generous pro bono support of consultants North Highland, with a particular emphasis on the size, structure, and skills in our team
- Continue to expand the amount of surplus food we redistribute and increase the number of community organisations we partner with
- Develop our work on understanding our impact, creating a Theory of Change, ensuring we are clear on our purpose and then how we will measure and improve our impact beyond just outputs
- Build on initial work developing an innovation hub in 2021, and in the second part of the year decide how this will become a reality
- Explore, evaluate and decide how best to diversify the charity's income streams, building upon the established foundations, seeking ways to drive sustainable income to allow the charity to plan with greater certainty, meeting the ever-increasing demand to feed Londoners most in need.

The Trustees confirm they have had regard to the Charity Commission's guidance on public benefit in determining and reporting on the charity's goals.

Financial Review

Income in 2021 was £8.3m (2020: £12.4m). Expenditure was £6.8m (2020: £3.6m), resulting in a surplus of £1.6m (2020: £8.7m) and a balance sheet value of £12.8m (2020: £11.3m). Our operating surplus enables us to designate reserves to fund our ambitious investment plans to deliver on our strategy and support implementation of the 'brilliant basics'.

Summary of Income and Expenditure

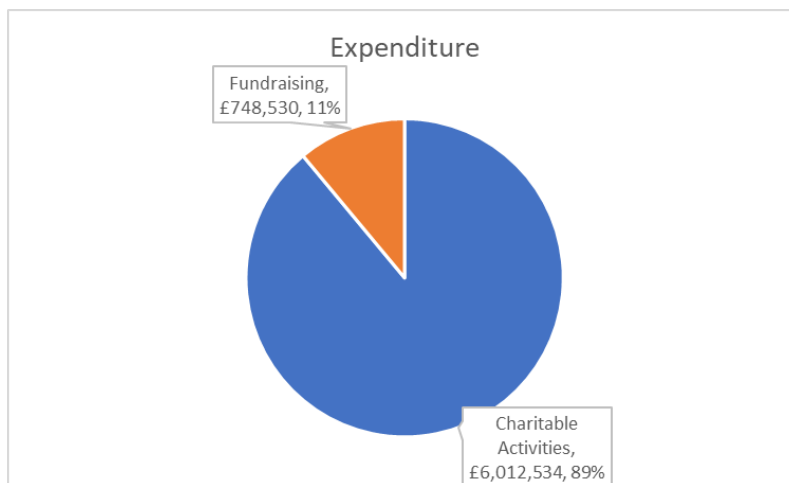
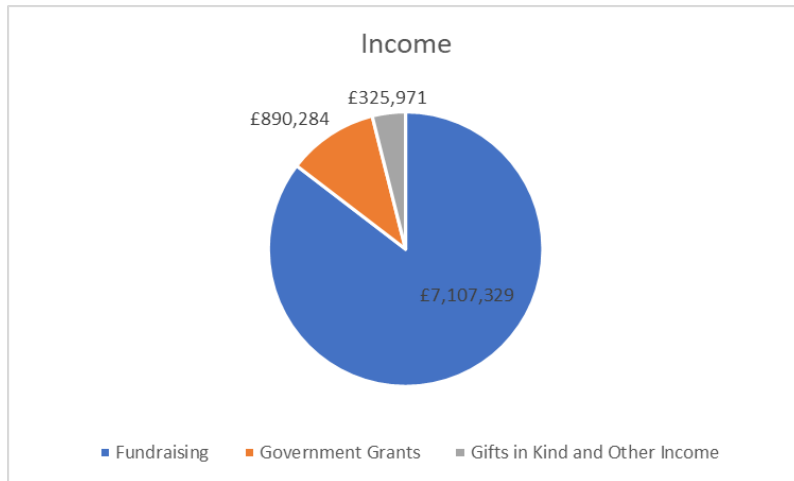
Expenditure grew in 2021 from £3.6m to £6.8m. This represents the growth experienced by Felix during 2021, notably the Poplar (East London) depot and Felix's Kitchen, as well as key investments to ensure we can sustain ambitious future plans. Key expenditure items in 2021 included:

- The first full year of operating the Deptford (South East London) depot.
- Opening the Poplar (East London) depot and Felix's Kitchen.
- Increase in the staff team from 62 to 89 at the end of 2021.
- Increase in food collection costs due to taking on additional suppliers and the impact of the HGV crisis.
- Investment in IT infrastructure to improve operational efficiency and the accuracy of reporting

We strive to keep our costs low whilst delivering a high-quality service, maximising the funds donated and, where possible and appropriate, using volunteer and donated services.

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Reserves

There has been much change at The Felix Project in 2021 and into 2022, following a period of exceptional growth during the pandemic which saw us move to an operation that spans four depots, The Felix Kitchen and the Central London Green Scheme delivering over 30 million meals to community organisations supporting Londoners most in need. This growth and other circumstances have led to change in key personnel as the needs of the organisation have changed, including a new CEO, a full-time Finance Director, a Director-level lead of the work across People & Culture, and a Head of Technology to name just a few. We have also, across 2021 and into 2022, conducted a refresh of the strategy that we launched in 2020, to ensure it was still relevant and fit for purpose given the changes in the world around us and the context in which we are working. At the time of writing, this refresh is being finalised and will be launched in the Summer of 2022 but will have an increased focus on understanding our impact as an organisation and ensuring we invest in the foundations for future growth of that impact as part of the infrastructure of our great Capital City.

In order to achieve this the following reserves policy has been adopted.

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Reserves Policy

The Trustees have determined that, in order to ensure that sufficient funds are available to mitigate the cost of our principal risks should they arise and also to cover the orderly wind up of the charity should it be needed, the level of free reserves should be held at 6 months' budgeted unrestricted expenditure. This is a change from our previous policy of holding 9 months' budgeted unrestricted expenditure, and has been amended based on an in-depth analysis of these considerations and is in line with The Felix Project's strategic goal to stabilise throughout 2022, following a period of significant growth. Therefore, starting the year with solid foundations that are continuing to be built upon with the "brilliant basics", an operational reserve equating to 6 months' budgeted unrestricted expenditure is deemed to be sufficient to support the charity.

In line with this policy the charity's general funds (which exclude fixed assets included in designated funds), at 31 December 2021 stood at £3.8m.

We had previously designated funds for "Growth Plans" which included the planned opening of a new East London Depot in 2021 which has now been built and is operational. For the remainder of this strategic period, we will continue to invest in key elements of our work with this designated fund, but have renamed it as an "Impact Growth Fund" to recognise that we are working hard across this period to move from measuring just outputs to measuring the impact of our food (whilst still considerably growing the volume of food we rescue). This will be used to fund priorities identified during our strategic refresh and implementing our "brilliant basics" including new investments in areas of our work such as technology capability, innovation and infrastructure, impact monitoring and evaluation, health and safety and operational enhancements, developing our employability programme, investing in our learning and skills across the organisation as well as investing in our ability to generate income from more diverse sources. As foundations for this work, this will include developing our theory of change and clear impact measures across 2022 which will then help to inform our next strategic period, alongside doing more work to ensure we are well known by communities across London. We will also utilise this designated fund to upgrade our facilities where needed, such as work scheduled at the Enfield (North London) depot during 2022, and to support the reprovisioning of our depots when we need to consider relocating them as they come to the end of their leases (two of our depots will come to the end of their lease during this strategic period). The Trustees have designated £3.1m into this fund.

The Trustees have continued to designate funds to cover the cost of currently active investments including development of Information Technology and other projects focussed on innovation and understanding, enhancing and reporting on the Charity's impact in the area of food rescue and redistribution to ensure there are funds available to see these projects through. The Trustees have designated £1.8m for these projects.

REFERENCE AND ADMINISTRATIVE INFORMATION

The Charity is a company limited by guarantee (registered with Companies House under number 10068253) and registered with the Charity Commission under number 1168183.

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Trustees

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

Gavin Darby (Chair, Operations Committee Chair)
Ann Marie Belsey
Cath Thorpe (People Committee Chair)
Julian Wakeham (Finance Committee Chair)
Jane Byam Shaw
David Hudd
Francesco Vanni d'Archirafi
Justin Byam Shaw (Fundraising Committee Chair)
Michael Millership
Karin Woodley CBE (from January 2022)
Asi Panditharatna (from January 2022)

Senior management Mark Curtin – Chief Executive until July 2021
Steve Thomas – Interim Chief Executive from July 2021 to December 2021
Charlotte Hill OBE – Chief Executive from January 2022
Sandrine Cotter – Director of Finance and Services until February 2022
Andrew Holland – Director of Fundraising until December 2021
Tanya Mitchell – Director of Income Generation and Marketing from February 2022
Mark Simpson – Director of Operations until October 2021
Shane Dorsett – Director of Operations from October 2021
Bernadette Thomas – Director of People and Culture from February 2022

Registered office Unit 6 Kendal Court
Kendal Avenue
Park Royal
London W3 0RU

Auditor HW Fisher LLP
Acre House
11-15 William Road
London NW1 3ER

Banker National Westminster Bank plc
1 Abbey Road
Park Royal
London NW10 7YQ

Solicitor Hogan Lovells
Atlantic House
Holborn Viaduct
London EC1A 2FG

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STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, incorporated in the UK, and registered as a charity. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed by its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

Governance

In accordance with the Articles of Association, Trustees are appointed to the Board by resolution of the Trustees. At the annual general meeting one-third of the trustees will retire from office but may stand for re-election according to the procedures laid out in the Articles of Association.

Prior to appointment, a prospective Trustee is invited to attend a meeting of the Board, as an observer, before confirming his or her willingness, or otherwise, to stand for election. Once appointed, each new Trustee is issued with copies of the Charity's governing document, the latest financial statements and the Charity Commission's publication "The Essential Trustee: what you need to know". The Chief Executive Officer also offers an induction meeting with each new Trustee shortly after appointment.

Given the nature of the Charity's work, the Trustees seek to maintain a broad range of skills on the Board. Essential skills in business, finance and fundraising are represented on the Board, as well as experience of volunteering; several Trustees volunteer regularly and two Trustees are appointed to represent the volunteer workforce.

In their professional lives, some Trustees have received training in relevant areas, such as corporate governance and finance, and some are also experienced charity trustees with relevant training from other organisations on whose boards they serve. Additional training is provided as required.

All Trustees give their time voluntarily and have received no benefits from the Charity. No personal expenses were reclaimed from the Charity during the period.

The board and senior team are delighted to welcome two new trustees - Asi Panditharatna and Karin Woodley - to the board in early 2022. Asi is the Executive Director for Employment Services at the Forward Trust. He has spent much of his career working in operation, business development and leadership roles in employability, vocational training, apprenticeships, regeneration, and economic development. He was a member of the Mayor of London (Sadiq Khan)'s inaugural Skills for Londoner's Task Force and is currently a trustee of the youth charity Think Forward.

Karin Woodley CBE is the Chief Executive of Cambridge house and a non-executive director of the Office of the Public Guardian. She has over 35 years' leadership experience in social action charities and was made a CBE (Commander of the British Empire) in the Queen's 2021 Birthday Honours list for services to social justice and awarded the Lifetime Achiever Award at the 2016 Excellence in Diversity Awards.

Full Trustee meetings are planned for the 4th week of the start of each new quarter (April, July, October, January) with an additional AGM and end of year meeting in December. The SMT prepare quarterly performance management reports and any other key information and updates that will have been reviewed

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and discussed at the relevant sub-committee in the weeks before the full board meeting. Other board meeting agendas are determined with at least 50% of board meeting time focused on forward looking projects, programmes of work and strategic direction.

Developments in Governance

To provide mechanisms for more robust review, scrutiny, and development of plans across all areas of the charity the Board has established four sub-committees for finance, fundraising, operations and people, together with advisory groups for marketing and technology, all with formally agreed terms of reference.

The subcommittees address strategic and significant decisions by making recommendations to the quarterly board meetings. 2021 saw the first full year of operation of the addition of these sub-committees and both trustees and senior managers have found this new arrangement to be extremely helpful both in the quality of decision making as well as growing clarity around the respective roles and responsibilities of management and governance.

In addition to these new subcommittees, we have developed the concept of Advisory Groups. Building on our established Volunteer Advisory Group (now renamed Volunteer Voice) these groups incorporate the input of important stakeholders beyond the members of the board. They have been successful in overseeing and co-ordinating practical initiatives across the organisation. For example, the Technology Steering Group is open to all staff and meets monthly. Chaired by Ben Salama, a longstanding Felix volunteer with extensive experience in IT and consulting, this forum has become a clearing house for all projects and initiatives with a technology, digital or data component. Colleagues pitch and highlight their work, enabling everyone to learn from each-others' progress, challenges, and successes.

Another example is the quarterly Technology Strategy Advisory Group, which brings together external experts who offer their advice and experience in the planning of our technology strategy and investment roadmap. The trustees are incredibly grateful to Alice Mannion (Ocado), Vincent Richardson (Microsoft), David Brown (FareShare), Akshay Nayle (Deliveroo) and Stephan Wilson (Amazon UK) for the time and insight they have given to this important initiative.

Management

The Trustees are responsible for the strategic direction and policy of The Felix Project and met five times in 2021. Responsibility for the day-to-day management of the Charity's operations and delivery of its services were delegated to the Chief Executive Officer, the senior leadership comprised the Director of Finance and Services, Director of Fundraising & Marketing, and the Director of Operations. An extended leadership team includes the Heads of People & Volunteering and Felix's Kitchen, and a consultant CIO.

In July 2021 we bid a fond farewell to our much loved and brilliant CEO Mark Curtin. Mark's energy, insight and determination have been central to our response to the Covid Pandemic in the past two years, and consequently to the huge growth and success of The Felix Project. The trustees wish to pay tribute to Mark's extraordinary contribution and wish him well as he moves on to a senior leadership role in youth development.

The search for Mark's successor has been led by a special committee of the board, with support from recruitment consultants Saxton Bampfylde, and led to the appointment of Charlotte Hill OBE. Charlotte joined

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Felix in January 2022 and brings outstanding experience in voluntary sector capacity building, volunteering, and public affairs.

Other senior leadership appointments initiated in 2021 and starting in 2022 include Tanya Mitchell as Director of Income Generation and Marketing, taking forward the immense success led by Andy Holland, and Bernadette Thomas as our newly created Director of People and Culture. Shane Dorsett has also accepted the permanent appointment as Director of Operations, following an assignment as interim for accomplished predecessor Mark Simpson in September 2021.

It is essential for the success of The Felix Project (and therefore in the best interests of its beneficiaries) that its key management personnel offer an appropriate blend of skills and experience, in-depth knowledge and experience of distribution, business development and operational growth, acquired through having worked extensively in relevant sectors. In setting the remuneration of the Chief Executive Officer, the Trustees' policy is to balance remuneration levels of Chief Executive Officers of London-based charities of equivalent size and complexity, with those of Chief Executive Officers/Senior Leaders from relevant industry sectors.

The Felix Project has a wholly owned trading subsidiary, The Felix Project Trading Company Limited was created in 2019 for the purpose of managing trading activity only and started trading during 2021. All profits made in the trading subsidiary are donated in full to The Felix Project. No staff are employed by the trading subsidiary. The results of the subsidiary are consolidated on a line-by-line basis.

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RISK MANAGEMENT

The Trustees are accountable for the strategic management of risks faced by the Charity, delegating responsibility for the day-to-day management and mitigation of identified risks to the Senior Leadership Team, which formally reports regularly to the Trustees and brings to their attention any significant increases in risks, should they arise. Whilst it is accepted that the Charity's risk management strategies cannot offer absolute assurance against all forms of loss or damage, the Trustees are satisfied that the measures deployed mitigate exposure to the most significant risks to the Charity. The Trustees review the Charity's strategic risks regularly to identify new and additional risks and to implement of measure to mitigate risks. They are satisfied those systems are in place to mitigate exposure to all major risks.

Principal Risks

As part of the ongoing assessment of our strategic risks, and following the initial three year strategic planning exercise that was undertaken in 2019, the Executive Leadership Team and Board redefined and updated the charity risk management strategy. The primary strategic risks are categorised as follows:

Sustainability of (Fundraising) Income Growth: The growth of fundraising income may not be sustainable in the medium to long term. Impact of not achieving growth in financial plan may result in a breach of reserves policy.

Insufficient Food Supply: The growth of food supply may not meet demand. This may have the impact of not being able to achieve our strategic goals, serve to our charity and community partners and lose credibility and adverse PR.

Breach of Health and Safety (Including Food Standards) policy; If we experience a serious health and safety breach in our operations. Impact could be significantly damaging PR, loss of life or injury, criminal investigation and /or regulatory action

People: Any adverse relationship between volunteer and staff may have a negative impact on the charity. People relations (employees and volunteers) through a time of organisational growth & development may impact on our ability to achieve our objectives.

Insufficient Food Re-distribution: Any failure of the charity to develop the core capability to grow food re-distribution to meet demand. Impact on our PR and credibility and failure to achieve our core Mission and strategic objectives

Data Loss or breach and/or Inaccuracy; Our technology systems and processes & procedures result in serious data privacy loss or breach or we experience key insights inefficiencies. PR or other damage to the charity including regulatory reprimand or fine and complaints. Cost of time and performance due to poor systems or technology.

Brand & Reputation; A general other serious impact on our Brand and PR due to actions of individuals and/or organisational failure (e.g. negative news story or social media action). Impact could result in reduced funding, loss of donors and supporters, volunteers, or other stakeholders.

Relationship and association based PR; Reputational damage from external sources and/or relationships with supports or partners can results in loss of support, partners and/or donors.

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INVESTMENT POLICY

The Charity had no investments in 2021.

RELATED PARTIES

In 2021 there were no issues of conflicts of interest or inappropriate appointments of related parties.

DISCLOSURE OF INFORMATION TO AUDITORS

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 each taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

AUDITORS

HW Fisher LLP have indicated their willingness to act as auditors to the Charity and, in accordance with the provisions of the Companies Act 2006, it is proposed that they be re-appointed auditors for the ensuing year.

On behalf of the board of Trustees



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Mr Gavin Darby
Chair of the Board of Trustees

Dated: 26 April 2022

**THE FELIX PROJECT
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STATEMENT OF TRUSTEES' RESPONSIBILITIES**

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees, who are also the directors of The Felix Project 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;
- state whether applicable UK 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 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.

THE FELIX PROJECT (A COMPANY LIMITED BY GUARANTEE) INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE FELIX PROJECT

Opinion

We have audited the financial statements of The Felix Project (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 December 2021 which comprise the consolidated statement of financial activities, the consolidated and charity balance sheets, the consolidated cash flow statement and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 group's and parent charity's affairs as at 31 December 2021 and of the group's 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 group 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF THE FELIX PROJECT

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, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' 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 group and the parent charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

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

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 group's and parent 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 group or parent charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of

THE FELIX PROJECT (A COMPANY LIMITED BY GUARANTEE) INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE FELIX PROJECT

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

As part of our planning process:

- We enquired of management the systems and controls the group has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The charity did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the group. We determined that the following were most relevant: the Charities SORP, FRS 102, Charities Act 2011, Companies Act 2006.
- We considered the incentives and opportunities that exist in the group, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the group and parent charity, together with the discussions held with management at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates, in particular in relation to the dilapidation provision.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key income lines, in particular cut-off, for evidence of management bias.
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted, designated and restricted funds.
- Performing a physical verification of key assets.
- Obtaining third-party confirmation of material bank and loan balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as the charity board minutes for discussions of irregularities including fraud.
- Testing all material consolidation adjustments.

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. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the charity.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF THE FELIX PROJECT

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.

HW Fisher LLP

Andrew Rich (Senior Statutory Auditor)

for and on behalf of HW Fisher LLP

Chartered Accountants

Statutory Auditor

Acre House

11-15 William Road

London

NW1 3ER

United Kingdom

26/5/22

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 DECEMBER 2021

**Consolidated Statement of Financial Activities
For the year to 31 December 2021**

		Unrestricted funds	Restricted funds	Total 2021	Unrestricted funds	Restricted funds	Total 2020
	Notes	£	£	£	£	£	£
Income and endowments from:							
Donations and grants receivable	3	4,181,517	3,935,624	8,117,141	10,024,358	1,722,503	11,746,861
Income from other trading activities	4	159,679	0	159,679	139,745	400,000	539,745
Other income	5	46,765	0	46,765	73,584	0	73,584
Total income		4,387,960	3,935,624	8,323,584	10,237,687	2,122,503	12,360,190
Expenditure on:							
Raising funds	6	748,530	0	748,530	558,656	139,986	698,641
Charitable activities	7	4,784,359	1,228,175	6,012,534	1,662,570	1,271,896	2,934,466
Total resources expended		5,532,889	1,228,175	6,761,064	2,221,226	1,411,882	3,633,108
Net (outgoing)/incoming resources before transfers		(1,144,928)	2,707,449	1,562,521	8,016,461	710,621	8,727,082
Gross transfers between funds		1,519,298	(1,519,298)	0	310,822	(310,822)	0
Net income for the year/Net movement in funds		374,370	1,188,151	1,562,521	8,327,283	399,799	8,727,082
Fund balances at 1 January		10,606,498	677,633	11,284,131	2,279,215	277,834	2,557,049
Fund balances at 31 December		10,980,868	1,865,784	12,846,652	10,606,498	677,633	11,284,131

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.

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET**

AS AT 31 DECEMBER 2021

Consolidated and charity balance sheets
As at 31 December 2021

	Notes	Consolidated 2021		Consolidated 2020		Charity 2021		Charity 2020	
		£	£	£	£	£	£	£	£
Fixed assets									
Intangible assets	11	251,914		155,999		251,914		155,999	
Tangible assets	12	2,045,558		528,483		2,045,558		528,483	
Investment in Subsidiary	13	0		0		1		0	
		<u>2,297,472</u>		<u>684,482</u>		<u>2,297,473</u>		<u>684,482</u>	
Current assets									
Debtors	14	2,670,339		1,051,171		2,666,347		1,051,171	
Cash at bank and in hand		9,044,811		10,208,378		8,911,718		10,208,378	
		<u>11,715,150</u>		<u>11,259,549</u>		<u>11,578,065</u>		<u>11,259,549</u>	
Creditors: amounts falling due within one year	15	<u>(915,716)</u>		<u>(359,901)</u>		<u>(911,122)</u>		<u>(359,901)</u>	
Net current assets		10,799,434		10,899,648		10,666,943		10,899,648	
Total assets less current liabilities		<u>13,096,907</u>		<u>11,584,130</u>		<u>12,964,416</u>		<u>11,584,130</u>	
Creditors amounts falling due after more than one year	16	(55,255)		(75,000)		(55,255)		(75,000)	
Provision for other liabilities	17	(195,000)		(225,000)		(195,000)		(225,000)	
Total assets less liabilities		<u>12,846,652</u>		<u>11,284,130</u>		<u>12,714,161</u>		<u>11,284,130</u>	
Income funds									
Restricted funds	19	1,865,784		677,633		1,865,784		677,633	
Unrestricted funds									
General funds		3,800,000		4,668,316		3,667,510		4,668,316	
Designated funds	20	7,180,868		5,938,181		7,180,868		5,938,181	
		<u>10,980,868</u>		<u>10,606,497</u>		<u>10,848,377</u>		<u>10,606,497</u>	
		<u>12,846,652</u>		<u>11,284,130</u>		<u>12,714,161</u>		<u>11,284,130</u>	

The charitable company's net income for the year was £1,430,031 (2020: £8,727,082)

The financial statements were approved by the trustees on 26 April 2022



Gavin Darby
Chair of the Board of Trustees

Company Registration No. 10068253

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASHFLOWS**

FOR YEAR ENDED 31 DECEMBER 2021

**Consolidated cash flow statement
For the year to 31 December 2021**

Cashflows from operating activities		2021	2020
		£	£
Net cash provided by operating activities	A	747,853	8,870,246
Cashflows from investing activities			
Purchase of fixed assets		(1,912,288)	(225,758)
Disposal of fixed assets		-	13,303
Bank interest income		866	6,076
		<u> </u>	<u> </u>
Change in cash and cash equivalents in the year		(1,163,568)	8,663,867
Cash and cash equivalents at 1 January		10,208,378	1,544,511
		<u> </u>	<u> </u>
Cash and cash equivalents at 31 December		<u>9,044,811</u>	<u>10,208,378</u>

A - Reconciliation of net movement in funds to net cash provided by (used in) operating activities

		2021	2020
		£	£
Net movement in funds (as per the statement of financial activities)		1,562,521	8,727,081
Adjustments for:			
Fixed Asset Gifts in kind income		(95,084)	(141,390)
Net impact of transfer in of FareShare London operations		-	(49,126)
Depreciation and Fixed Asset Impairment charges		393,759	179,618
Gain on disposal of fixed assets		-	(10,882)
Loss on disposal of fixed assets		622	4,427
Bank interest Income		(866)	(6,076)
(Increase)/decrease in debtors		(1,619,168)	(108,354)
Increase/(decrease) in creditors		506,071	274,948
		<u> </u>	<u> </u>
Net cash provided by operating activities		<u>747,853</u>	<u>8,870,246</u>

B - Analysis of changes in net debt

	Cash and Cash Equivalents	Finance Leases	Total
Net (Debt) as at 31 December 2020	10,208,378	(93,531)	10,114,847
Cash flows	(1,163,568)	0	(1,163,568)
Lease principle falling due	0	18,680	18,680
	<u> </u>	<u> </u>	<u> </u>
Net (debt) as at 31 December 2021	<u>9,044,811</u>	<u>(74,851)</u>	<u>8,969,960</u>

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

The Felix Project is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit 6, Kendal Court, Kendal Avenue, Park Royal, London, W3 0RU.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, 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) (effective 1 January 2019)". 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 group. Monetary amounts in these financial statements are rounded to the nearest £.

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

1.2 Basis of consolidation

The consolidated financial statements reflect the results and combined financial position of The Felix Project and its subsidiary undertaking The Felix Project Trading Company Limited. As permitted by s408 of the Companies Act 2006, the parent charitable company has not presented its own statement of financial activities (incorporating its income and expenditure account) and related notes.

1.3 Going concern

The Trustees' Report outlines the impact of Covid 19 on the charity and the group. The main risks faced by the charity as a result of the health crisis were a shortage of food, volunteers and/or funds. Due to the incredible response from the charity's suppliers, volunteers and donors, at the time of approving the financial statements, the trustees have a reasonable expectation that the charity and group 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.

1.4 Charitable funds

Unrestricted funds are funds which can be used in accordance with the charitable objects at the discretion of the trustees. Designated funds are funds which have been set aside out of unrestricted funds at the discretion of the trustees to ensure planned growth is sustainable and responsibly funded.

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.

1.5 Incoming resources

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2021

Income is recognised when the group 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 group 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.

Legacies are recognised on receipt or otherwise if the group has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

The value of services provided by volunteers has not been included in these financial statements.

Intangible income (such as goods or services provided free to the charity) is included where a third party is bearing the cost of supplying the resources and these costs can be quantified with reasonable accuracy.

1.6 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of fundraising.
- Expenditure on charitable activities includes the costs of the delivery of its activities.

Support costs are allocated across the fundraising costs and charitable activity.

1.7 Tangible fixed assets

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

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

Depot infrastructure and refurbishment	20% straight line
Equipment and Machinery	20% straight line
IT Equipment and Software	33% straight line
Motor vehicles	25% straight line

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.

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2021

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible 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).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

1.10 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.

1.11 Employee benefits

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

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2021

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.

1.12 Retirement benefits

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

2 Critical accounting estimates

In the application of the group'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.

There were no critical accounting estimates or judgements made in the year.

3 Donations and grants receivable	Consolidated and Charity			Consolidated and Charity		
	Unrestricted funds	Restricted funds	Total 2021	Unrestricted funds	Restricted funds	Total 2020
	£	£	£	£	£	£
Fundraising events	20,054	54,400	74,454	1,625,233	0	1,625,233
Corporate and Partnerships	2,140,459	1,008,034	3,148,493	4,275,999	325,305	4,601,304
Trusts and Foundations	270,503	1,886,264	2,156,767	1,047,766	992,754	2,040,520
Government Grants	1,500	888,784	890,284	0	279,257	279,257
Major Donors	403,856	47,632	451,488	1,083,203	100,000	1,183,203
Individual Giving	768,731	44,498	813,229	995,609	25,187	1,020,796
Community and Challenges	299,694	6,012	305,706	442,440	0	442,440
Donated goods and services	276,720	0	276,720	554,108	0	554,108
	<u>4,181,517</u>	<u>3,935,624</u>	<u>8,117,141</u>	<u>10,024,358</u>	<u>1,722,503</u>	<u>11,746,861</u>
Analysis of Donated goods and services			2021			2020
			£			£
Pro bono legal and professional fees			62,889			317,707
Pro bono software development consultancy			75,261			112,100
van hire, waste disposal and other capital assets donated			<u>138,570</u>			<u>124,301</u>
			<u>276,720</u>			<u>554,108</u>

The Charity received/rescued donation of an estimated 12,800 tonnes of food for distribution during 2021 equivalent to an estimated 30 million meals (2020- 9569 tonnes, 21 million meals). In addition, 119k hours of volunteer time with an estimated equivalent cost of £1,614k was provided to the Charity (2020-70k hours, cost £950k). Neither donated food nor volunteer time are recognised in the accounts.

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2021

4 Income from other trading activity

	Unrestricted funds	Restricted funds	Total 2021	Unrestricted funds	Restricted funds	Total 2020
	£	£	£	£	£	£
Sale of donated goods	2,486	0	2,486	139,745	400,000	539,745
Income from other Trading activities	157,193	0	157,193	0	0	0
	<u>159,679</u>	<u>0</u>	<u>159,679</u>	<u>139,745</u>	<u>400,000</u>	<u>539,745</u>

5 Other Income

	Unrestricted Funds 2021	Unrestricted Funds 2020
	£	£
Transfer in of FareShare London operations	0	56,626
Gain on disposal of fixed assets	0	10,882
Property recharge income	40,653	
Insurance proceeds	5,246	
Bank Interest	866	6,076
	<u>46,765</u>	<u>73,584</u>

6 Raising Funds

	2021	2020
	£	£
<u>Fundraising and publicity</u>		
Staff Costs	416,698	347,455
Other Fundraising and publicity expenditure	126,936	230,889
	<u>543,634</u>	<u>578,344</u>
Share of support costs (see note 8)	196,510	107,808
Share of governance costs (see note 8)	8,385	12,490
	<u>748,530</u>	<u>698,642</u>
Analysis by fund		
Unrestricted funds	748,530	558,656
Restricted funds	0	139,986
	<u>748,530</u>	<u>698,642</u>

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2021

7 Charitable Activities

	2021	2020
	£	£
Staff Costs	2,209,315	851,309
Other Charitable Expenditure		
-Operations	2,599,717	1,681,463
-Community Distribution	7,008	13,968
-Volunteer Management	18,345	11,797
	<u>4,834,385</u>	<u>2,558,537</u>
Share of support costs (see note 8)	1,129,932	336,899
Share of governance costs (see note 8)	48,216	39,031
	<u>6,012,534</u>	<u>2,934,467</u>
Analysis by fund		
Unrestricted funds	4,784,359	1,662,571
Restricted funds	1,228,175	1,271,896
	<u>6,012,534</u>	<u>2,934,467</u>

8 Support Costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Staff Costs	704,815	30,470	735,286	231,704	31,868	263,572
Professional fees	140,989	46	141,035	60,197	0	60,197
IT and Communications	146,776	186	146,963	37,485	0	37,485
IT Strategy	106,657	0	106,657	70,240	0	70,240
Audit fees	0	23,410	23,410	0	18,000	18,000
Other support and governance costs	227,205	2,489	229,694	45,081	1,653	46,734
	<u>1,326,442</u>	<u>56,602</u>	<u>1,383,045</u>	<u>444,707</u>	<u>51,521</u>	<u>496,228</u>
Share of costs						
Raising Funds (see note 6)	196,510	8,385	204,896	107,808	12,490	120,297
Charitable Activities (see note 7)	<u>1,129,932</u>	<u>48,216</u>	<u>1,178,149</u>	<u>336,899</u>	<u>39,031</u>	<u>375,930</u>
	<u>1,326,442</u>	<u>56,602</u>	<u>1,383,045</u>	<u>444,707</u>	<u>51,521</u>	<u>496,228</u>

In 2021 £4,850 was paid to the Auditors for payroll services. Support and governance costs are allocated to Charitable and Raising Funds activities in proportion to average staff numbers directly employed in the respective activities.

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2021

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year. No trustees have claimed expenses during the year.

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2021	2020
	Number	Number
Raising funds	12	8
Charitable activities	69	25
Support	12	6
	<u>93</u>	<u>39</u>

Employment costs

	2021	2020
	£	£
Wages and salaries	1,553,993	1,130,838
Social security costs	249,995	119,594
Other pension costs	100,578	50,475
	<u>1,904,565</u>	<u>1,300,907</u>

The Key Management Personnel detailed in the Trustees report received total employee remuneration in the year of £338,626 (2020 - £273,225).

Number of employees whose total annualised emoluments fall within following ranges for the year:

	2021	2020
£150,000-£160,000	1	0
£90,001 - £100,000	0	1
£80,001 - £90,000	0	0
£70,001 - £80,000	2	1
£60,001 - £70,000	2	1

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2021

11 Intangible Fixed Assets

	Consolidated and Charity		
	IT Software	Software development in progress	2021
	£	£	£
Cost			
At 1 January 2021	144,512	31,019	175,531
Additions	127,949	41,690	169,639
Transfers	31,019	(31,019)	0
At 31 December 2021	303,480	41,690	345,170
Depreciation			
At 1 January 2021	19,532	0	19,532
Depreciation charge for the year	73,723	0	73,723
At 31 December 2021	93,256	0	93,256
Total			
At 31 December 2021	210,224	41,690	251,914
At 31 December 2020	124,980	31,019	155,999

IT Software additions in the year comprise the CRM Fundraising Management System, a shift prediction model and a system to make the most efficient use of the van usage. These last 2 systems were funded by management consultancy valued at £75,000, provided to the Charity on a pro-bono basis and included in Donated Goods and Services income in note 2. Software under development comprises £25k for the CRM system and community portal IT project £16k, both due to go live in early 2022.

**THE FELIX PROJECT
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NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2021

12 Tangible Fixed Assets

	Consolidated and Charity						2021
	Depot Costs	Vehicles	IT Equipment	Equipment and Machinery	Kitchen Equipment	Fixed Assets under Construction	
	£	£	£	£	£	£	£
Cost							
At 1 January 2021	93,686	564,764	38,053	237,505			934,008
Additions	758,059	271,963	62,172	479,151	218,728	47,660	1,837,733
Disposals	0	0	(1,884)	0	0	0	(1,884)
At 31 December 2021	851,745	836,727	98,341	716,655	218,728	47,660	2,769,857
Depreciation and Impairment							
At 1 January 2021	29,202	293,819	17,598	64,906	0	0	405,525
Depreciation charge for the year	66,000	116,964	19,106	100,851	17,114	0	320,036
Accumulated depreciation on asset disposals	0	0	(1,262)	0	0	0	(1,262)
At 31 December 2021	95,203	410,782	35,442	165,758	17,114	0	724,298
Total							
At 31 December 2021	756,543	425,945	62,899	550,898	201,614	47,660	2,045,558
At 31 December 2020.	64,484	270,945	20,455	172,599	0	0	528,483

Included in additions are £495,900 of kitchen construction costs.

Motor vehicles with a net book value at 31 December 2021 of £82,804 (2020 -£112,029) are held through finance lease arrangements.

	2021	2020
13 Investment in Subsidiary		
Charity only	£	£
Shares in group subsidiary	1	0

The charity holds the entire £1 share capital of its trading subsidiary, The Felix Project Limited.

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2021

14 Debtors

	Consolidated 2021	Consolidated 2020	Charity 2021	Charity 2020
	£	£		£
Amount falling due within one year:				
Trade debtors	498,451	89,262	492,651	89,262
Other debtors	294,852	252,216	296,661	252,216
Prepayments and accrued income	<u>1,877,035</u>	<u>709,693</u>	<u>1,877,035</u>	<u>709,693</u>
	<u>2,670,339</u>	<u>1,051,171</u>	<u>2,666,347</u>	<u>1,051,171</u>

Other debtors includes an amount of £136,973 (2020- £166,973) due in more than one year (see note 16).
The Charity debtors figure contains £8,010 of intercompany debt

15 Creditors: Amount falling due within one year:

	Consolidated 2021	Consolidated 2020	Charity 2021	Charity 2020
	£	£		£
Trade creditors	332,480	169,055	332,480	169,055
Other creditors	72,494	47,547	70,400	47,547
PAYE and Social Security	84,475	44,550	84,475	44,550
Accruals and deferred income	<u>426,267</u>	<u>98,749</u>	<u>423,767</u>	<u>98,749</u>
	<u>915,716</u>	<u>359,901</u>	<u>911,122</u>	<u>359,901</u>

Other creditors include an amount of £19,596 (2020-£18,531) being amounts due within a year for finance leases.

Deferred income	Consolidated 2021	Consolidated 2020	Charity 2021	Charity 2020
	£	£		£
Deferred income at 1 Jan	666	745	666	745
Deferred income released during the year	(666)	(745)	(666)	(745)
Deferred income added during the year	<u>0</u>	<u>666</u>	<u>0</u>	<u>666</u>
Deferred income at 31 Dec	<u>0</u>	<u>666</u>	<u>0</u>	<u>666</u>

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FOR THE YEAR ENDED 31 DECEMBER 2021

16 Creditors amounts falling due after more than one year

	Consolidated and Charity	Consolidated and Charity
	2021	2020
	£	£
Finance leases (1 to 5 years)	55,255	75,000
	<u>55,255</u>	<u>75,000</u>

17 Provision for other liabilities

	Consolidated and Charity			
	At 1 January 2021	Addition in year	Released in year	At 31 December 2021
	£	£	£	£
Dilapidations provision	225,000	0	(30,000)	195,000
Total	<u>225,000</u>	<u>0</u>	<u>(30,000)</u>	<u>195,000</u>

This provision represents the Charity's estimated liability for dilapidations on the FareShare depot lease included in the transfer of FareShare London operations to the Charity. An amount of £136,973 included in Other Debtors reflects the amount of this provision to be contributed by FareShare under the terms of the transfer agreement. During 2021 £30,000 was paid for dilapidations which was re-imbursed by Fareshare. This reduced the liability and the provision as well as the other debtor.

18 Bank Debenture

A debenture is in place over all assets of the charity to cover liabilities for card facilities, a BACS limit of £300,000 and foreign cheque negotiation up to £20,000.

At the year end an amount of £18,115 (2020: £16,100) was owed in respect of the card facilities.

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FOR THE YEAR ENDED 31 DECEMBER 2021

19 Restricted funds

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

Consolidated and Charity					
Movement in funds					
2021	Balance at 1 January 2021	Incoming Resources	Resources Expended	Transfers	Balance at 31 December 2021
	£	£	£	£	£
Equipment / Capital	20,355	3,218	0	(23,361)	212
Schools Programme	21,869	120,005	(63,826)	0	78,048
Central London Operations	0	5,000	(5,000)	0	-
Volunteers	0	10,000	(10,000)	0	-
New East London Depot	100,000	251,707	(162,575)	(70,794)	118,339
Transport and Vans	22,192	556,577	(22,192)	0	556,577
Purchase of Food	0	30,000	(30,000)	0	0
Technology	68,981	0	(22,233)	(46,748)	-
Felix's Kitchen	460,000	1,677,098	(477,938)	(707,734)	951,426
Frozen food - WRAP 1	(19,503)	97,715	(44,695)	(33,517)	-
FareShare Funding (General)	0	54,558	(51,782)	0	2,776
Enfield Operations	0	5,000	(5,000)	0	-
Across Operations	3,739	388,878	(322,598)	0	70,020
New depot - WRAP 2	0	735,867	(10,336)	(637,144)	88,386
Totals	<u>677,633</u>	<u>3,935,624</u>	<u>(1,228,174)</u>	<u>(1,519,298)</u>	<u>1,865,784</u>
2020	Balance at 1 January 2020	Incoming Resources	Resources Expended	Transfers	Balance at 31 December 2020
	£	£	£	£	£
Park Royal Operations (inc rent)	25,835	24,250	(50,085)	0	0
Equipment / Capital	10,844	11,641	(2,130)	0	20,355
Schools Programme	35,339	63,467	(76,937)	0	21,869
Central London Operations	185,964	6,001	(73,533)	(118,432)	0
Volunteers (inc NEET)	19,852	7,602	(10,783)	(16,670)	0
New East London Depot	0	100,000	0	0	100,000
Transport and Vans	0	265,200	(135,466)	(107,542)	22,192
Purchase of Food	0	161,482	(161,482)	0	0
Technology	0	100,000	0	(31,019)	68,981
Kitchen for London	0	460,000	0	0	460,000
Frozen food - WRAP 1	0	63,809	(54,769)	(28,543)	(19,503)
FareShare Funding (General)	0	12,122	(12,122)	0	0
Enfield Operations	0	42,861	(34,245)	(8,616)	(0)
Across Operations	0	804,068	(800,329)	0	3,739
Totals	<u>277,834</u>	<u>2,122,503</u>	<u>(1,411,882)</u>	<u>(310,822)</u>	<u>677,633</u>

The transfer between funds amounting to £1.5m represents the value of donations to the charity restricted to the purchase of capital assets, the bulk of which relates to our new East London Depot and Kitchen.

Once capital assets are purchased the restriction has been complied with, resulting in a transfer of the value of the assets purchased from restricted to unrestricted. Depreciation in the year of purchase and future years is charged to designated expenditure.

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FOR THE YEAR ENDED 31 DECEMBER 2021

20 Designated funds

	Consolidated and Charity				Balance at 31 December 2022 £
	Balance at 1 January 2021 £	Utilised £	Un- designated £	New designation £	
2021					
Impact Growth Fund	3,052,320	0	0	28,392	3,080,712
Investments	2,201,379	(398,695)	0	0	1,802,684
Fixed assets	684,482	0	0	1,612,990	2,297,472
Totals	<u>5,938,181</u>	<u>(398,695)</u>	<u>0</u>	<u>1,641,382</u>	<u>7,180,868</u>
2020					
	Balance at 1 January 2020 £	Utilised £	Un- designated £	New designation £	Balance at 1 January 2021 £
Impact Growth Fund	925,000	0	0	2,127,320	3,052,320
Investments	0	0	0	2,201,379	2,201,379
Fixed assets	0	0	0	684,482	684,482
Totals	<u>925,000</u>	<u>0</u>	<u>0</u>	<u>5,013,181</u>	<u>5,938,181</u>

The designated "Impact Growth Fund" is in place to fund priorities identified during the strategic refresh and implementing 'brilliant basics'.

"Investments" are in place to cover our planned expenditure on projects over the coming three years.

The Trustees have included the Charity's fixed assets as designated funds.

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2021

21 Analysis of net assets between funds

	Consolidated and Charity		
	Unrestricted funds 2021	Restricted funds 2021	Total 2021
	£	£	£
Fund balances at 31 December 2021 are represented by:			
Intangible fixed assets	251,914	0	251,914
Tangible fixed assets	2,045,558	0	2,045,558
Net current assets/(liabilities)	8,933,650	1,865,784	10,799,434
Creditors amounts falling due after more than one year	(55,255)	0	(55,255)
Provision for other liabilities	(195,000)	0	(195,000)
	<u>10,980,868</u>	<u>1,865,784</u>	<u>12,846,652</u>
	Unrestricted funds 2020	Restricted funds 2020	Total 2020
	£	£	£

Fund balances at 31 December 2020 are represented by:

Intangible fixed assets	155,999	0	155,999
Tangible fixed assets	528,483	0	528,483
Net current assets/(liabilities)	10,222,015	677,633	10,899,648
Creditors amounts falling due after more than one year	(75,000)	0	(75,000)
Provision for other liabilities	(225,000)	0	(225,000)
	<u>10,606,497</u>	<u>677,633</u>	<u>11,284,130</u>

22 Operating lease commitments

At the reporting date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Consolidated and Charity 2021	Consolidated and Charity 2020
	£	£
Within one year	485,217	289,186
Between two and five years	1,628,687	620,375
In over five years	43,644	153,902
	<u>2,157,548</u>	<u>1,063,463</u>

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2021

23

Related party transactions

One trustee, David Hudd, provided pro bono legal advice to the Charity during 2021 valued at £62,889 (2020 - £50,000)

24 Results from Trading Activities of Subsidiaries

The charity has a wholly owned trading subsidiary, The Felix Project Trading Company Limited (registered company number 11824361).

This company was dormant in 2020 and started trading in 2021.

The taxable profits from 2021 are donated to the Felix Project by Gift Aid. The Felix Project's investment in the share capital is £1. (Audited) financial statements have been filed with the Registrar of Companies

The Felix Project Trading Company Limited (registered company number 11824361)	2021	2020
Summary Profit and Loss account	£	£
Turnover	157,213	-
Cost of Sales	(15,587)	-
Gross Profit	141,626	-
Administrative Expenses	(9,137)	-
Operating Profit/Profit before Taxation	132,489	-
Tax on profit on ordinary activities	-	-
Profit For the Financial Year After Taxation	132,489	-
The assets and liabilities		
Current assets	145,093	-
Current liabilities	(12,603)	-
Total net assets	132,490	-
Share capital and reserves	1	1

**THE FELIX PROJECT
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Appendix A: Partner Acknowledgement

Our progress in fighting food waste and food poverty would not have been possible without the support of all our contributors and donors. We would like to say thank you to all of our partners including:

Advent International	Oak Foundation
AET UK Ltd	Oaktree Capital Management (LLP)
Allied World Assurance Company (Europe)	Ocado Retail Ltd
Bank of America	Old Possum's Practical Trust
Belvedere Trust	OneZero Financial
BlackRock	Orange Tree Trust
Calastone	Oso Foundation
Capital Generation Partners	Partners Capital LLP
Cargill	Peter Stebbings Memorial Charity
Cineflix Rights	Philip King Will Charitable Trust
CVC Capital Partners Foundation	Pillsbury Winthrop Shaw Pittman LLP
David and Ruth Lewis Family Charitable Trust	Premier
Deliveroo	Queen Anne's Gate Foundation
Edenred	ReLondon
Ellis Wines	Resource Action Fund
Enterprise RAC UK Limited	ROPES & GRAY
FactSet	Royal Bank of Canada
Furness Insurance Services	RWC Partners Limited
Glendower Capital	Sainsbury's
Heathrow Community Trust	Savills
Hello Fresh	Scheinberg Relief Fund
Hosking Charitable Trust	Schroder Investment Management
Howard de Walden Estate	Temasek International
Hyperoptic Ltd	Temple Tree Foundation
IG Group	The 29th May 1961 Charitable Trust
ING	The Atlas Foundation
Inner London Magistrates' Court's Poor Box and Feeder Charity	The Batchworth Trust
Islamic Relief Fund	The Charles S French Charitable Trust
JA Clark Charitable Trust	The Ernest Hecht Charitable Foundation
James Hambro & Partners	The Evening Standard's Dispossessed Fund
John Lewis Partnership Community Team	The February Foundation
John Ryder Memorial Trust	The Foux Foundation
Kepler Cheuvreux	The Hollick Family Foundation
Khalsa Aid International	The Jane and Michael Davies Charitable Trust
KKR	The Julia and Hans Rausing Trust
Knight Frank	The Lehman Brothers Foundation Europe
La Tua Pasta	The Loveday Charitable Trust

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Appendix A: Partner Acknowledgement

Lansons	The Portmore Charitable Trust
London Community Foundation	The Rothschild Foundation
Lycatel Services Ltd	The Royal Foundation of the Duke and Duchess of Cambridge
Marks and Spencer	The Staples Trust
Mayor of London Volunteering Awards	The Swire Charitable Trust
McLain Family Foundation	The Tanlaw Foundation
Montier Charitable Trust	The Thompson Family Charitable Trust
Morgan Stanley	Travers Smith LLP
Mulberry	Tudor Capital Europe LLP
Nathan Kirsh Foundation	Two Magpies Fund
Newcore Capital Management	Vitol
Newcore Capital Management	Winch Design
Northern Trust	

THE FELIX PROJECT

England & Wales - Charity number 1168183

Accounts

Charity Registration No. 1168183

Company Registration No. 10068253 (England and Wales)

THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
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(A COMPANY LIMITED BY GUARANTEE)
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**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT AND DIRECTORS' REPORT)**

FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, 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)" (effective 1 January 2019).

STRATEGIC REPORT

The Felix Project is a London-based UK charity set up in 2016 by entrepreneur, Justin Byam Shaw and others.

We predominantly rescue good food that cannot be sold and would otherwise go to waste. This food is deemed to be surplus within the professional food industry. The food is good quality and nutritious, including a high proportion of fresh fruit and vegetables, baked goods, salads, meat and fish, as well as almost all other food types. This has included frozen goods since 2019. We collect or receive food from farms, growers, manufacturers, wholesalers, distribution and packing centres, supermarkets, other retailers, restaurants, hospitality and other 'Food to go' outlets.

We sort and then redistribute this food to charities and community organisations that cook meals and prepare food for vulnerable people who are at risk of hunger and malnutrition. This includes those from the homeless and rough sleeper community, families from socio-economically disadvantaged communities and households, including those without recourse to public funds or support, and people who are supported because of physical and/or mental health challenges. It also includes women who are escaping domestic violence and/or are victims of trafficking, people being supported as they are experiencing addiction or other similar challenges and older people who are isolated and/or experiencing loneliness.

We also have a schools programme through which we provide food to primary schools for distribution to children and families who may not be able to access good quality nutritious food. The much publicised issues of "Holiday Hunger" are prevalent in school holidays. In school holidays we redistribute food to, and work in partnership with organisations delivering holiday programme provision across London. During the COVID19 crisis we broadened our reach to NHS and other key workers struggling to access food in lockdown periods whilst working. We reached people from communities who lost their support networks and/or became isolated as a direct result of the pandemic.

Following 4 years of steady growth during which The Felix Project received an extraordinary level of support, the charity reached a scale that saw us rescue and redistribute the equivalent of ≥ 6.4 m meals per year by the end of 2019. The charity had planned to continue to grow and develop its operations to have the capacity and capability to rescue and redistribute the equivalent of ≥ 10 m meals by the end of 2020.

Impact of the COVID19 Pandemic

Towards the end of Q1 2020 the COVID19 pandemic made a profound impact on the charity. As the pandemic struck, we found ourselves with planned fundraising income at serious risk due to the cancellation of events and the overall disruption to the economy and society at large, particularly the closure of offices of almost all of our corporate supporters. Our initial assessment estimated the risk to be a c£300k reduction on our planned £1.9m income target for 2020. Furthermore, we saw a huge impact on the charities, local

**THE FELIX PROJECT
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TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT AND DIRECTORS' REPORT)**

FOR THE YEAR ENDED 31 DECEMBER 2020

communities, and schools to whom we partner to distribute food. In addition to a significant increase in demand, partners were forced to close their doors or completely change their service provision.

In late March and early April, the way we worked with and distributed food to our partners had to change dramatically and rapidly when there was great uncertainty and the UK food industry faced numerous challenges. Almost all of our food supply partners saw their businesses impacted by the pandemic. This included significant disruptions to operating business, lockdown of almost all of the hospitality sector for long periods of time, and changes in consumer food purchasing behaviours that resulted in changes to volumes and types of surplus food in the system.

Internally within our organisation we also had to adapt rapidly since our own workforce was at risk of infection. We adopted new stringent approaches to health and safety and cleanliness in our depots and our vans. A large proportion of our older volunteer workforce and some of our staff were forced to shield or isolate following constantly changing government guidelines. We had to change the roles and responsibilities of many staff and some volunteers as we adapted our working practices and approaches to meet all of the changing demands and requirements outlined above. We quickly moved to a home working approach for non-operational teams and ensured that we provided the required technology and resources, as well as well-being and human resource management support, for all of our people during an uncertain and constantly changing environment.

Within just a few short weeks we adopted changes, implemented new ways of working and began to embed new more frequent and technology enabled communication channels with all stakeholders. As a result, we rapidly increased our intake of food and our output. This was possible in part due to donations of additional equipment, depot space, vans and an increase in the number of people who registered to volunteer with the charity. Within 6-8 weeks of the first government lockdown we had recruited 900 additional new volunteers. Over the course of the following 6 months, we constantly adapted and changed our approaches and working practices with the health and safety of our people as the priority to de-risk the spread of infection. This was whilst also innovating and adapting to ensure we could continue to scale up our operations and meet the ever increasing demand as a result of the pandemic.

To mitigate the risks, we had identified with regard to our fundraising income, we formed a key partnership with The Evening Standard together with its sister paper The Independent. In March a fundraising campaign with the ambitious target of raising £10m was put into place. The primary message was that not only would funds be needed immediately to adapt and scale to meet demand in a fast moving and unpredictable changing environment, but also, to put the charity in the financial position to sustain its growth to meet increasing demand for at least 3 years.

We secured funds directly, and with the support of the media campaign, across multiple fronts from our existing network of fantastic donors and supporters, a huge range of new partners including commercial businesses, charitable trusts and foundations and high net worth individuals as well as other sources including national government via DEFRA. We saw a surge in individual giving and community fundraising with many new followers acquired via social media who become regular donors. Our media campaign led to wider media interest that gave us greater exposure across multiple media outlets and channels as the issue of hunger and malnutrition became a key public interest matter. Investment in paid for advertising and social media campaigning played a crucial role in the acquisition of new donors – awareness and support for our work grew significantly resulting in increased charity brand awareness and understanding, and supporter base growth.

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We established strategic relationships with other food redistribution charities in London, especially FareShare London and City Harvest. We formed the London Food Alliance (LFA) with the other two charities to ensure that we could jointly co-ordinate complex discussions and relationships across all 32 London Boroughs and other agencies including the Mayor of London's offices. We each took responsibility for coordinating efforts with specific local authority areas. The Felix Project took the lead for 14 of the 32 boroughs, mostly north of the River Thames. Each borough established a hub or group of hubs which acted like sub regional food banking and food aid coordination centres. This work involved ensuring that each of the other LFA charities did not duplicate one other's work and most importantly, that any gaps in redistribution provision were identified and addressed at the earliest opportunity. The work has continued through into 2021 and is expected to result in a permanent arrangement in place post pandemic. FareShare's involvement changed when we took over Fareshare's London operation in November. However, FareShare UK will continue to have a proactive role and presence on the LFA as a primary supplier of food to the charities in the capital.

FareShare partnership

Throughout the spring and over the summer we held discussions with FareShare UK to explore how our charities could best serve the needs of London. This was led by our CEO with direct involvement and oversight by the Chair of Trustees and an appointed working group of the Trustee board. Further input came from the senior management team. By July agreement in principle was reached between the respective boards of Trustees for a partnership that would see The Felix Project take over FareShare London's entire operation. This included the South London depot in the Borough of Lewisham and all of its 10 staff and c300 volunteers. Effectively, FareShare London became The Felix Project South London.

The Felix Project would become FareShare's exclusive partner for last mile community food redistribution in London as FareShare UK divested itself from regional food redistribution to focus exclusively on unlocking surplus food at a national level with its 400+ food industry partners. The arrangement would also see FareShare UK supply The Felix Project with food from its national supply with Felix taking responsibility for sorting and leading all redistribution across the entire London region. This meant that over 300 charities and community organisations, who were previously paying a fee for food supply from FareShare London prior to the pandemic, would have fees removed permanently - resulting in more than c£300,000 of food redistribution charges removed for London's charities and community organisations.

Felix would also inherit FareShare's established food tracking and traceability technology system – GLADYS, in addition to a range of other support services, advice and guidance designed to help develop our resources and capabilities.

A period of due diligence was undertaken with all legal advice provided by our pro-bono law firm Hogan Lovells. This was completed on 10th November 2020 when the partnership became official, and the new arrangements were put into place. A period of 6-9 months of transition with multiple projects follows into 2021. This includes operating practices, integration of staff and volunteers to The Felix Project, rebranding and marketing activities, identifying fundraising and other opportunities to work together, and the integration of Felix as a fully independent key member of FareShare's national network of regional partners.

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TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT AND DIRECTORS' REPORT)**

FOR THE YEAR ENDED 31 DECEMBER 2020

Three year Strategic Plan

In the summer of 2020, a decision was taken with the Trustee board to revise and develop our 3 year strategic plan. The impact of the pandemic, and the legacy that at the time we believed would follow, resulted in our belief that our response would need to be a long term for at least 3 years.

Research indicated that both the economic and health impact legacy, together with any possible impending impact of Brexit on some food supply and costs would see the demand for meals in London alone increase from an estimated 109m meals per year to over 120m meals per year in 2021 and beyond. Thanks to the huge increase in supporters, partners, financial donors and other stakeholders becoming part of our rapidly expanding community, we had the confidence to reshape our strategic plan. This was from one that was a fundraising first, progressive approach put in place at the end of 2019, to a much more ambitious plan that could be realised with accelerated growth. Key drivers were the surge in demand, an increase in need from London's vulnerable communities, and the growing need to reduce the negative impact of food waste on the environment.

In July 2020, the board of Trustees agreed in principle to a 3 year strategic plan to grow the charity and develop its resources, capabilities and capacity accordingly to achieve $\geq 42,000$ tonnes* of food rescued and the equivalent of ≥ 100 m meals redistributed to London's communities by 2024.

On the back of the 3 year strategic plan and a strong financial year in terms of unprecedented donation levels, we built a 3 year financial forecast aligned to the strategy. The forecast takes account of our growth and investment plans with a view by the end of year 3 to revert back to a level of overall reserves in line with our investment policy (see Finance Review section). The first year of this top-down forecast was used to put together a more detailed bottom-up Budget for 2021.

Included within the strategic plan is an exciting new venture to develop a physical legacy operation from the pandemic, that will enhance the charity's ability to achieve our goals for increasing volume and provide food in a way that meets the varying type of demand we face. This will be a professional production kitchen that will turn predominantly surplus food into meals to be packaged and made ready for redistribution to communities across London. A great deal of learning was achieved by undertaking this type of work in partnership with several commercial food and hospitality businesses and charities throughout the pandemic on a temporary basis. As a result, we identified need and demand for this type of food redistribution service on a permanent basis.

In Q1 of 2021 funding applications and business planning were underway to secure capital funding and operational funding to have a kitchen for London – known as *Felix's Kitchen*, in place for the summer of 2021. It is planned that within the first year 1.5m meals can be produced from the kitchen operation for redistribution from the new Felix East London depot also due to open before the early summer 2021.

The pandemic and the subsequent lockdowns caused a delay in our ability to progress some of our plans including the opening of the East London operation for which funds were secured in late 2019. There was a 6 month delay to the opening of the new c9000sq ft depot from November 2020 to May 2021. Regular engagement with both WRAP (the primary capital funder on behalf of DEFRA) and other funders ensured that all key funding stakeholders were aware of uncontrollable COVID circumstances and were in agreement with our revised plans to move forward as soon as we could. In early 2021 contracts with funders were signed and plans are underway for a spring 2021 opening.

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To ensure that we did not see a slowdown in our growth and that we were able to meet as much of the increased demand as possible, the senior management team and Trustee board took the decision to keep the Enfield operation running at increased capacity with an extra depot/warehouse unit into summer 2021. When the new East London depot opens a strategic review will be undertaken to assess whether we can scale down the Enfield operation and move some of the operation to East London or continue to operate Enfield at the same levels.

Other key developments underway within our strategic plan include investment in a technology transformation programme that will see the charity develop, improve and advance its technology infrastructure and capability to ensure we realise our ambitious growth plans. The advancement of technology and the digitalisation of our systems and ways of working are seen as key enablers to becoming both more effective and more efficient. Our technology strategy is designed to be incremental, with a governance and project management board in place to monitor performance, cost, impact, return on investment and innovation. This will ensure a robust and controlled road map is realised over the next 3 years.

In 2020 the first of a number of exciting and innovative new projects was completed with the help and support of Avanade a technology business co-owned by Microsoft and Accenture. This also coincided with our decision to adopt Microsoft 365 and Dynamics as our core operating system upon which all future technology advancement will be designed. Within our 3 year strategy, our plan is to have a robust, advanced and impactful technology architecture that will enable our ambitious plans for accelerated growth. This work is being led by a specialist consultant CIO who joined us at the start of 2020. A technology advancement and transformation road map was developed and its implementation has adapted as the charity's plans and operations have required.

By the end of 2020 all the IT projects were running on time and on budget taking us into 2021 with strong foundations to undertake a number of planned investment projects designed to be introduced incrementally over the next 2-3 years to realise the strategy.

Volunteering is crucial to our operating model and strategic plan. Volunteers play a phenomenal central role across the charity. The decision was made to invest further in volunteering management by creating a new senior role responsible for people development. In March 2020, we recruited Lucy Inkster to the new role of Head of People & Volunteering in order to properly support our growing volunteer base. The role underlines our commitment to investment in our paid workforce, bringing in a dedicated HR function to support our rapidly growing staff team.

Additional roles in the People Team have been created to improve planning, development and training of both our paid and volunteer workforce. Our new full time Learning & Development Manager and part time HR Administrator joined the charity in October 2020. By continuing to build our People team, we aim to provide the best experience possible for everyone working at The Felix Project and to ensure we have the capacity and capability to achieve our strategic ambitions and goals.

Our plans also included the development of our core finance and services team. Following the appointment of a new Finance and Services Director, Sandrine Cotter in March 2020, the team has grown and developed to ensure that we have the resources and capacity to manage the significant growth the charity will undertake in the year and beyond. Sandrine has worked under the guidance and support of the chair of the Finance Committee to develop and improve the charity financial management systems, processes and procedures.

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*Auditing our food volumes is undertaken as follows: Since 2016 we have undertaken food redistribution volume reporting using a method of calculating the average weight of a crate, based on weighing audits taken for a whole operational week at each of our operations, every eight weeks. This has entailed recording the number of crates of food distributed on each route. In August 2020 we developed our processes to automate the counting of crates of food redistributed when we adopted our bespoke "Route Me" technology, a Microsoft enabled solution developed with Avanade and Accenture. This system has been designed to measure the volume of food redistributed on each route. In November 2020 when we acquired the FareShare London operation, all our food redistribution volumes for the Deptford (Felix South London) operation were measured using FareShare UK's GLADYS technology. This includes weighing all items of food. From Quarter two 2021 a blend of GLADYS and Route Me will be used to measure and report all food volumes both received and redistributed.

Summary of the Year

Having begun the year undertaking the execution of a progressive and steady rate continued growth strategy, The Felix Project experienced a profound and significant change in its operating environment on almost all fronts due to the impact of the COVID19 pandemic. We rapidly assessed the multiple risks to our operations, fundraising, people teams and our core services. We responded by adapting almost all of our business systems, approaches and ways of working. Thanks to our agile and innovative capabilities, together with the drive and determination of our army of incredible volunteers, staff, Trustees and a community of committed and determined partners and wider stakeholders, we very successfully met the constantly changing and increasing demands placed upon us.

Throughout all of this, we remained highly focused on a cause driven approach; our dual mission to rescue surplus food meant we prevented over 9,000 metric tonnes of food waste and 40,000 tonnes of greenhouse gases from impacting the environment, whilst also ensuring we sorted and redistributed the equivalent of 21.1m meals of good quality nutritious food to c1,000 community organisations reaching an estimated 266,000 people in London's most vulnerable communities each week throughout the year.

In addition to responding to the immediate challenges brought about as a result of the pandemic, we were able to ensure that we continued to plan, develop and improve many aspects of the charity's work across all teams to sustain growth and improvement. This included growing our operations with the acquisition of the FareShare London operation and by partnering with FareShare UK to become its exclusive partner for London.

During Q2 and Q3 we undertook a robust strategic planning exercise with our trustee board, designed to enable us to put in place a more ambitious and innovative approach to our work for the next three years and beyond. This was driven by a desire to meet the increased future demands we find ourselves facing as a result of the pandemic and its legacy. Furthermore, because we have demonstrated our capabilities in adapting, innovating and undertaking rapid change and growth and we have a significantly larger partner, donor and supporter base, we have the confidence to achieve more ambitious goals sustainably as our movement of people and organisations collaborate for a common purpose.

2021 and Beyond

Following a hugely successful year in 2020, we headed in to 2021 continuing to deal with the devastating impact of the pandemic on London's most vulnerable communities with a bolder, more ambitious plan driven by our determination to tackle the hunger crisis in the capital. Our strategic priority goals for 2021 are:

- Rescue and redistribute $\geq 16,060$ tonnes of surplus food, representing c38m meals per year;

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- Grow our operational capacity with the opening of our new East London depot in Poplar, Tower Hamlets in Spring 2021;
- Innovate and expand our operations by opening a new professional production kitchen – Felix's Kitchen in East London enabling us to rescue more food and find new innovative ways to provide food for redistribution to vulnerable communities across London;
- Continuously improve our efficiency and effectiveness at rescuing, sorting and redistributing food, ultimately resulting in more food being redistributed to charities and the other community organisations we exist to support;
- Increase the number of organisations and sources of surplus food supply from across the whole food industry supply chain, with a particular focus on more supply from the grower, production and wholesale aspects of the industry – ultimately, we will increase the volume of surplus food we rescue and increase the amount of food we can redistribute to meet the needs of our end beneficiaries;
- Achieve growth in food volumes redistributed to London by strengthening and developing our relationship with FareShare UK;
- Reach more people from a wider range of communities who are at risk of hunger and malnutrition, particularly those most vulnerable and/or at risk of hunger and malnutrition. This includes working with Housing Associations and other organisations where there is a larger population of end beneficiaries whom we aim to reach;
- Increase the number of primary schools and holiday programme providers we reach to build upon the success of our existing schools and holiday programme provision aimed at vulnerable children, young people and their families at risk of hunger and malnutrition;
- Continue to grow the number of people in key roles across the organisation to ensure we have both the talent and the capacity to meet the demands of increased growth; This includes exploring and initiating employability and other entry-to-work programmes to ensure we can play a role in tackling the unemployment challenges facing many people from communities across London as a result of the economic impact of the pandemic;
- Complement the growth in paid roles with continued significant growth in volunteer recruitment and deployment;
- Continue to improve the volunteer journey to enhance the experience and outcomes for our volunteers also leading to improved retention of volunteers;
- To undertake further review of our strategic thinking, planning and approaches to ensure we continuously improve, innovate and discover new ways to achieve our goals in 2021 and beyond.

The Trustees confirm they have had regard to the Charity Commission's guidance on public benefit in determining and reporting on the charity's goals.

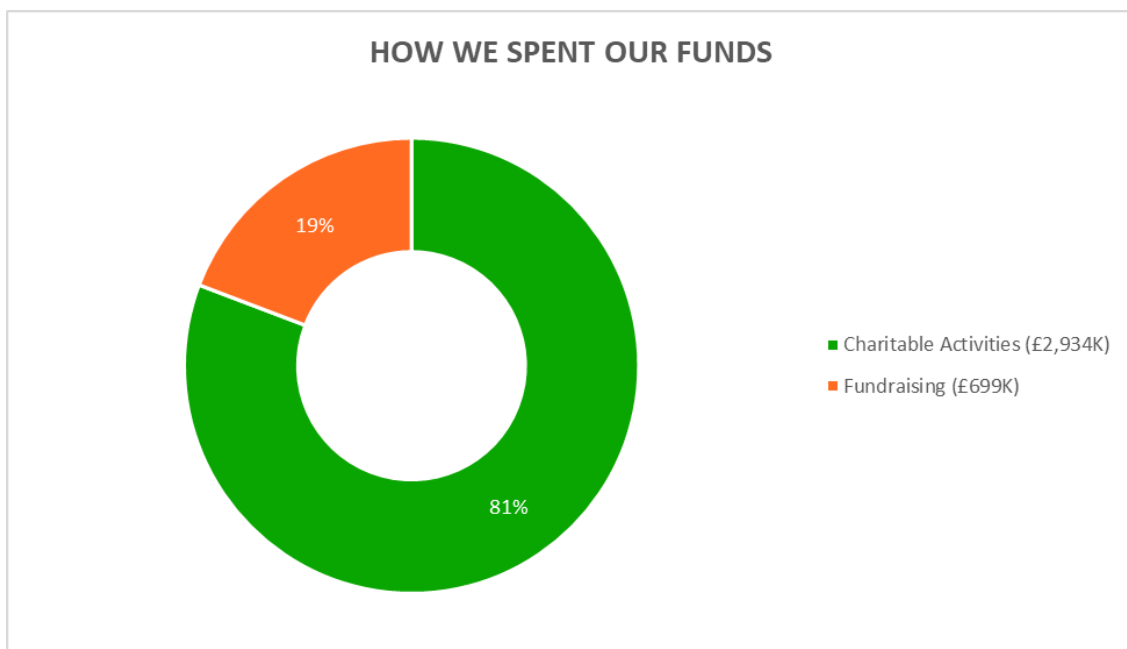
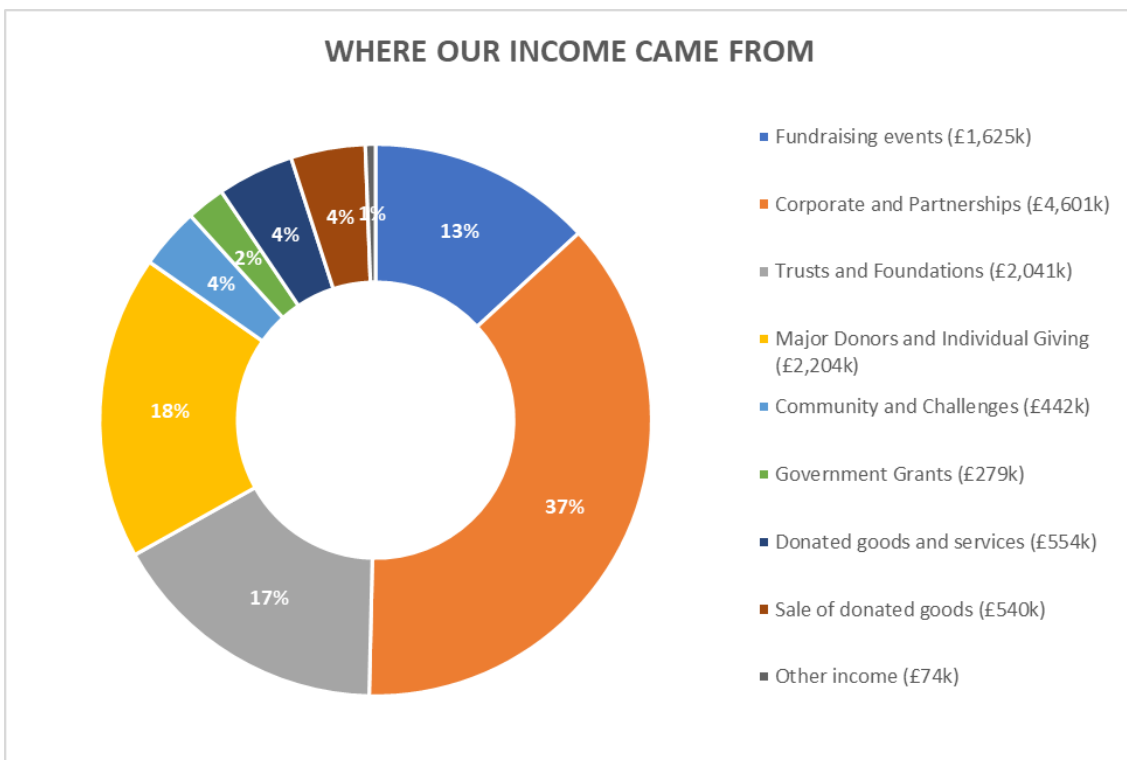
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Financial Review

Income in 2020 was £12.4m (2019: £2.0m). Expenditure was £3.6m (2019: £1.6m), resulting in a surplus of £8.7m (2019: £0.3m) and a balance sheet value of £11.3m (2019: £2.6m). Our operating surplus enables us to designate reserves to fund our ambitious growth and investment plans to deliver 100 million meals in 2024.

Summary of Income and Expenditure



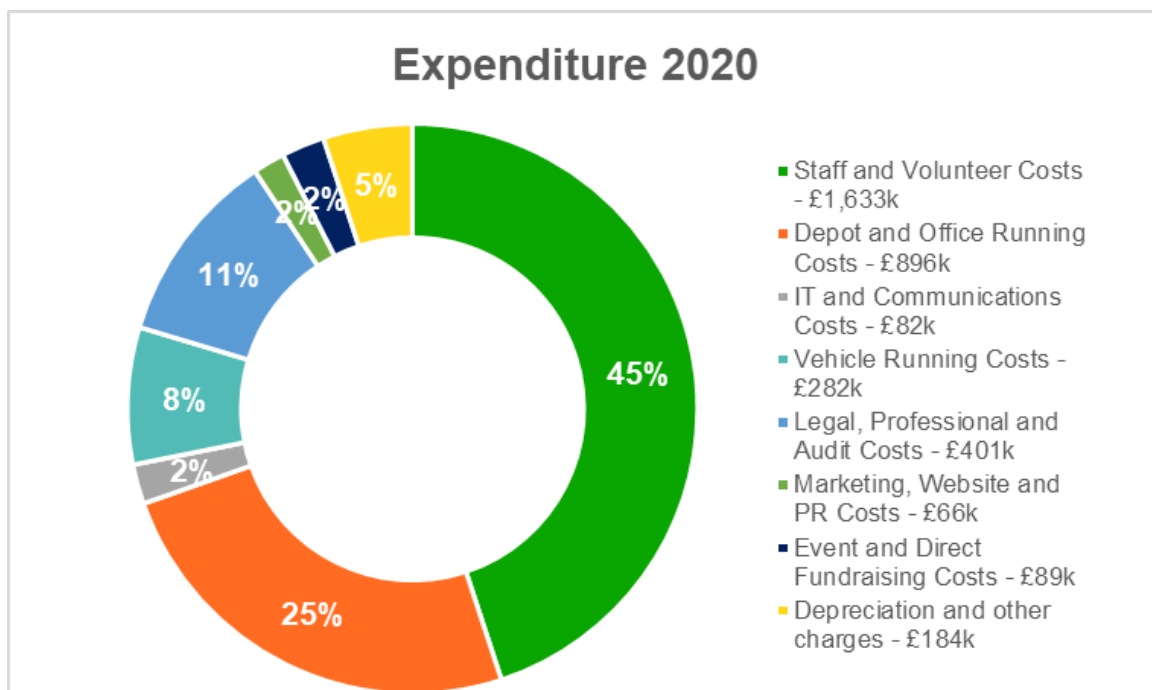
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Expenditure grew in 2020 from £1.6m to £3.6m. This represents an immediate response to the COVID crisis and key investments to ensure we can sustain ambitious growth plans. Key expenditure items in 2020 included:

- Increase in the staff team from 22 to 62 at the end of 2020.
- Recruitment to key support infrastructure roles to under pin the ambitious growth plans for future years.
- Support to the Senior Management team in developing and implementing the IT strategy through an Interim Chief Information Officer role.
- Substantial increases in the Park Royal and Enfield depot operations to meet the additional 2020 capacity needs driven by the COVID crisis.
- The transfer in of the FareShare London operations towards the end of the year.
- Legal and professional fees of £285k relate to the FareShare operations transfer provided on a pro bono basis.

We strive to keep our costs low whilst delivering a high-quality service, maximising the funds donated and, where possible and appropriate, using volunteer and donated services.



Reserves

It is important that we are able to guarantee continuity of service to our charity beneficiaries, many of which continue to face funding uncertainty and challenges, dealing with small budgets and vulnerable clients, and to ensure we are able to cover our financial operating commitments including staffing, lease and other operating costs. This is alongside our ambitious growth and investment plans to deliver an 100m meals annually in 2024.

In order to achieve this the following reserves policy has been adopted.

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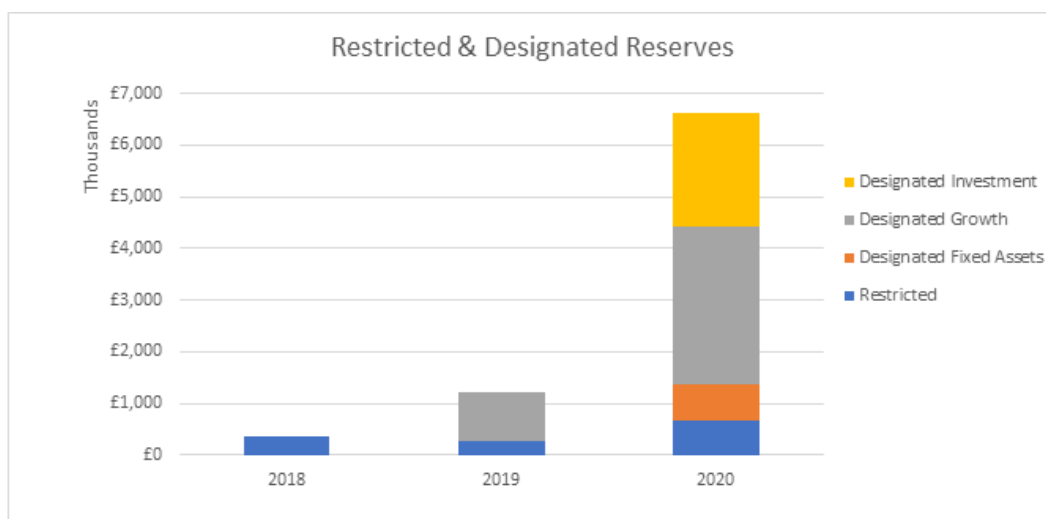
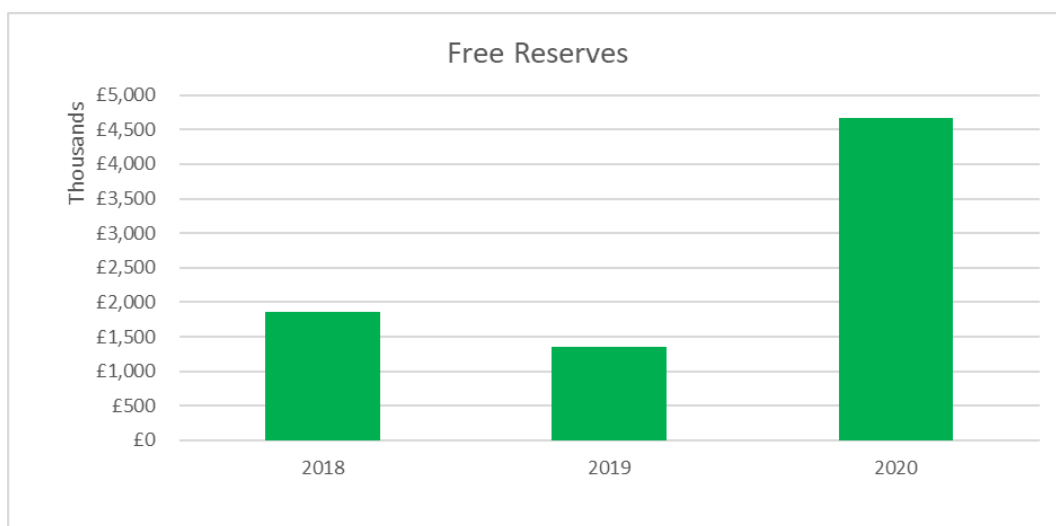
Reserves Policy

The Trustees have determined that, in order to ensure that sufficient funds are to cover any fluctuations in revenue or unforeseen increases in costs, the level of free reserves should be kept at a minimum of 9 months' budgeted unrestricted expenditure. In order to meet this target it is necessary for the charity's general funds (which exclude fixed assets included in designated funds), to be a minimum of 9 months' budgeted unrestricted expenditure. At December 2020, general reserves stood at £4.7m, which represents 10.6 months' budgeted expenditure.

Given that significant growth is planned over the three years to 2023, the Trustees have chosen to designate funds to ensure that the charity's planned growth is sustainable and responsibly funded from the outset.

Designated "Growth Plans" funds amount to £2.1m. The amount designated at 31 December 2019 included the planned opening of a new East London depot operation in 2020 now scheduled for Spring 2021.

In addition to significant growth in activity, the Charity's plans require investments including development of Information Technology, development of the Charity's other infrastructure and capability, and other projects focussed on innovation and understanding and enhancing the Charity's impact in the area of food rescue and redistribution. Funds of £2.2m are designated under this "Investments" heading.



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Our Fundraising

The Trustees are incredibly grateful to all the individuals and organisations who stepped forward to support our work in many different ways since our inception and especially throughout 2020 when we were facing such challenges due to the pandemic. We were able to respond to all of the challenges faced because of the unprecedented levels of support and funding that the charity received from existing and new funders and supporters who share our vision and made commitments to help the charity achieve so much in a time of great crisis for millions of people. Our continued rapid growth has only been possible because of the huge commitments our donors and supporters have shown. Every single donation made has helped us to rescue more good food to improve the lives of people in great need. In 2020 and beyond this need is greater than ever.

We continue to use a wide range of fundraising approaches and always aim to achieve best practice. We are registered with the Fundraising Regulator and adhere to the Code of Fundraising Practice. We manage our own fundraising activities and we are also grateful to many other organisations that have chosen us to benefit from their own fundraising activities. We apply best practice to protect our supporter data; we never swap or sell data and only use information that is compliant with the General Data Protection Regulation (GDPR) and relevant data privacy legislation. We take seriously the need to achieve the highest standards and we are not aware of any failure on our part to comply with fundraising standards. In 2020 we received one complaint relating to an auction prize, which was resolved quickly and directly with the individual.

With our fundraised income of £11.73m (£2m in 2019), the charity saw a significant increase in the volume of donations and therefore a substantial increase in our overall fundraised income. Without doubt this was almost entirely in response to our role in addressing a profound hunger crisis exacerbated by the COVID19 pandemic. The work of Trustees, the Executive leadership team, the Fundraising & Marketing team and a huge range of volunteers, partners, donors and supporters and an exceptional, highly successful powerful and impactful campaign in the Evening Standard and The Independent, resulted in a phenomenally successful year. This placed the charity in a strong position to mitigate the risk of lost income, grow rapidly to meet the immediate challenges and demands faced and to revise our strategic approach to make a commitment to tackle the hunger crisis that will be a lasting legacy of the pandemic for at least the next 3 years and unfortunately beyond.

Overall, we spent 19% of our expenditure on raising funds. For every £1 spent on fundraising we raised £16.79 in 2020.

In 2020 we were wholly dependent on fundraising to cover our expenditure. Whilst we have built up a pipeline of fundraising income for 2021 and beyond through some significant partnerships and grants, we will continue to build and diversify our income streams to increase our sustainability as we scale up our operation to reach demand across London. We are committed to employing the highest standards in our fundraising and focus on building long-term relationships with a broad range of donors and supporters.

Our progress in fighting food poverty would not have been possible without the support of all our contributors and donors. We would like to say thank you to all of these partners – see Appendix A.

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Our Operations

Volunteers drive our fleet of vans to collect food from suppliers and deliver it to our 2 depots in Park Royal, West London and Enfield, North London. In November 2020 we acquired the FareShare London depot and operation in Deptford and therefore now have 3 depot operations covering West, North and South London. The depots are the heart of our operation, scheduling collection and delivery routes, receiving food direct from suppliers, storing and sorting food and ensuring it is redistributed to charities, schools and holiday programmes as efficiently as possible.

Central London pandemic impact

We also continue to develop our pioneering, unique service in Central London. Predominately this provides those people who are or have been homeless with fresh, same-day food delivered in an environmentally friendly way. Volunteers collect food from food retailers and other suppliers and take it direct to refuges, night shelters, church and other community centres and rehousing charities using electric vans and a 'green scheme' walking and cycling route. The routes operate in the evening and at lunchtime, which has increased recruitment of volunteers who live and/or work in Central London.

During the pandemic our Central London operation was impacted significantly with much of the food-to-go, retail and hospitality sector in central London closing and coming in and out of lockdown. However, we remained fully committed to the charities and community organisations this service provides for and adapted operations to ensure that food redistribution continued with much of the food sourced from our depot operations in Park Royal West London when there wasn't sufficient surplus food available in central London.

The small team who lead the Central London operation were relocated to Park Royal and continued to ensure that all volunteers were able to continue with revised schedules and that the fleet of electric vehicles were managed and where possible the walking or cycling routes could continue to meet the needs of our key partners. In early 2021 these adapted operating procedures remain in place until the lockdown ends in the summer when we hope to see a return to normal operating with the reopening of the retail and hospitality sector in central London.

Schools programme

Our Schools Programme launched in 2018, following the Evening Standard's 'Help a Hungry Child' Christmas campaign, which raised over £1.2m. By 2019 year end, we were delivering food to 120 primary schools, which achieved our target for the year following the campaign. In 2020 we had planned to continue and expand our Schools Programme which provides a weekly delivery of surplus food to primary schools for children and their families to take home and enjoy. At the end of the school day, pupils and their families are invited to fill a Felix bag with a healthy selection of food that would otherwise have gone to waste. This sensitive and inclusive approach avoids stigma while addressing the hunger experienced by children living in food poverty. However, during the pandemic many of the schools were initially closed during the first lockdown, although approximately 70% remained open to the local community to provide access to food supplied by The Felix Project.

Throughout the year as the various stages of lockdown changed, we worked with all school partners to ensure that those who required access to food could continue to receive food either via the school or by us helping to

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redirect them to other local charities or local authority provision that we were distributing food to in the same local community. At times when schools remained open - fully or just to the children of key workers - we remained committed to the Schools Programme weekly deliveries wherever possible. In 2021 we will continue our commitment to all schools on the programme and as the easing of lockdown measures allow, we plan to expand our reach to more schools as part of our overall plan to grow our operations and our reach. This applies particularly to schools where there is greater demand and/or they are in areas of higher levels of socio- economic deprivation.

Where possible, and where social distancing guidelines allow, we will return to our pre-pandemic approaches where each week, schools teaching children from some of the most deprived families in London set up a Felix 'market stall' in their playground. The children are encouraged to take food home to help prevent the environmental damage of food waste. Furthermore, we also hope to return to running interactive school assembly talks, where they had to be paused. These talks fit with school curriculum topics about food poverty and waste. We get the children talking about food and learning that just because a potato is an odd shape, or a tin has a dent, it can still be used. Over 100,000 children attended the assemblies in the first two years, before the pandemic forced us to pause this work. The initiative brings to life the issue of food waste and its environmental impact. We plan to restart this work in autumn term of 2021 subject to the government guidelines.

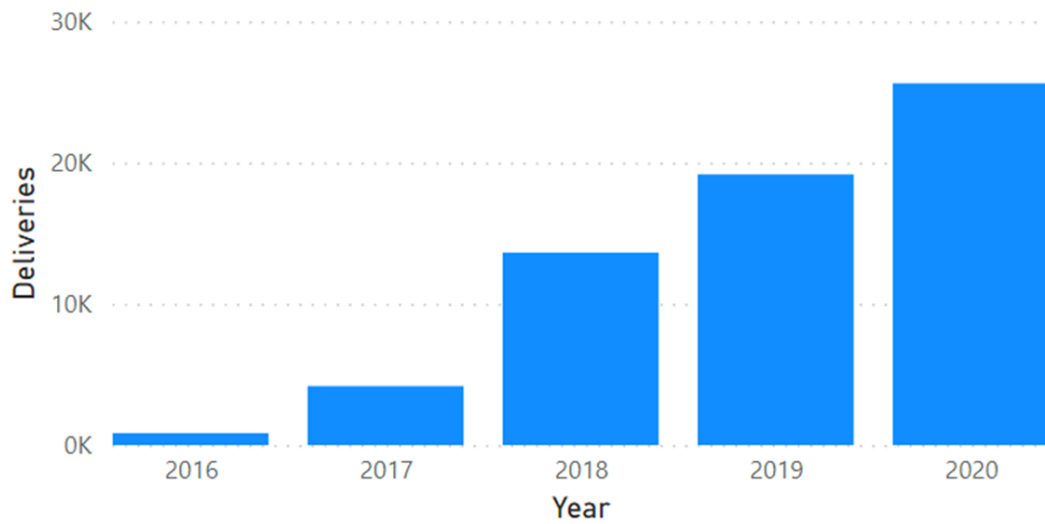
Despite the challenges of the pandemic, we continued throughout 2020 to ensure that the food supplied to schools during term time continues to reach children who are at risk of experiencing 'holiday hunger' by delivering food to charities and holiday play and activity schemes. As with all of our operations these approaches had to be adapted subject to government guidelines and lockdown measures in place at the time of the school holidays throughout the year. Mostly this meant that our work was limited to supplying food to schools or holiday programme providers only. In 2021 we hope to be able to return to more engaging interactive food waste and food preparation education work with other partners as part of our Holiday Programmes work, which we also plan to expand and grow to reach more young people as per our strategic plan. Our priority in 2020 was to ensure that we continued to deliver food to children and families even if we were unable also to offer the holistic experiences of learning about and preparing food in a more social setting that usually takes place in our holiday programme provision.

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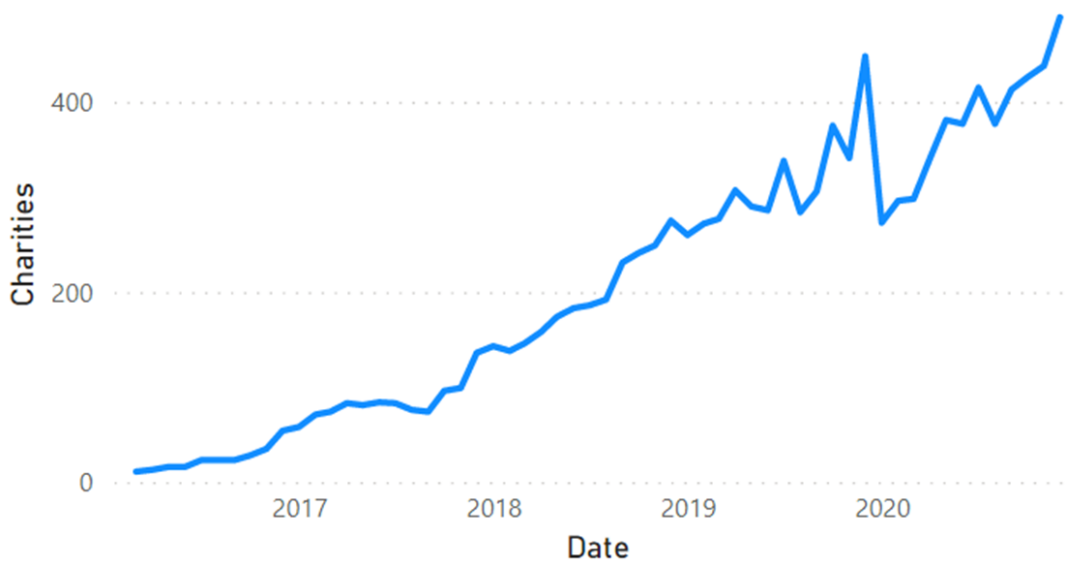
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Operational Growth 2020

Food Deliveries - 2016-2020



Charities and Schools - 2016-2020

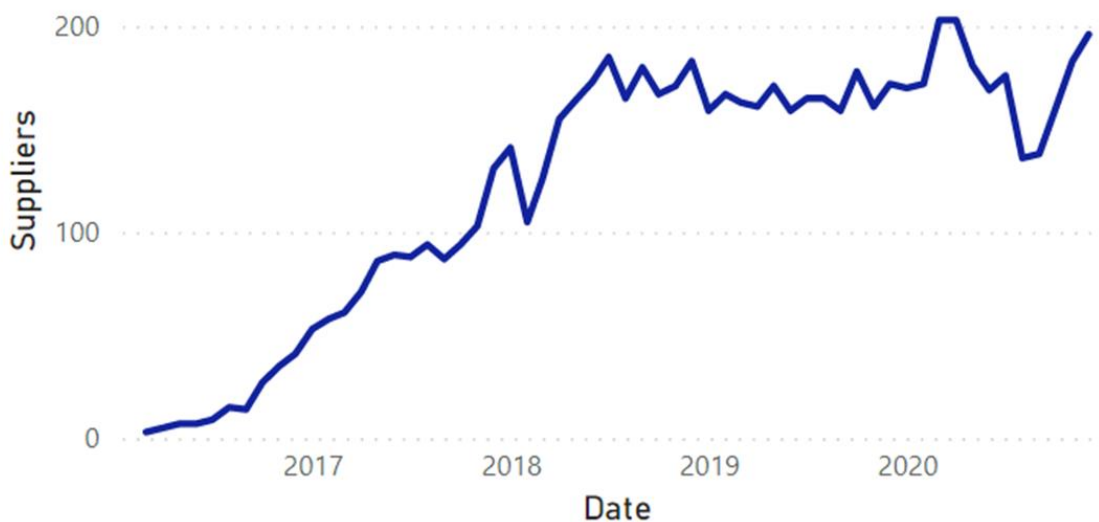


The dip in the number of Charities and Schools at the beginning of 2020 is due to Covid; as establishments closed, we moved away from small drops to larger bulk deliveries via hubs.

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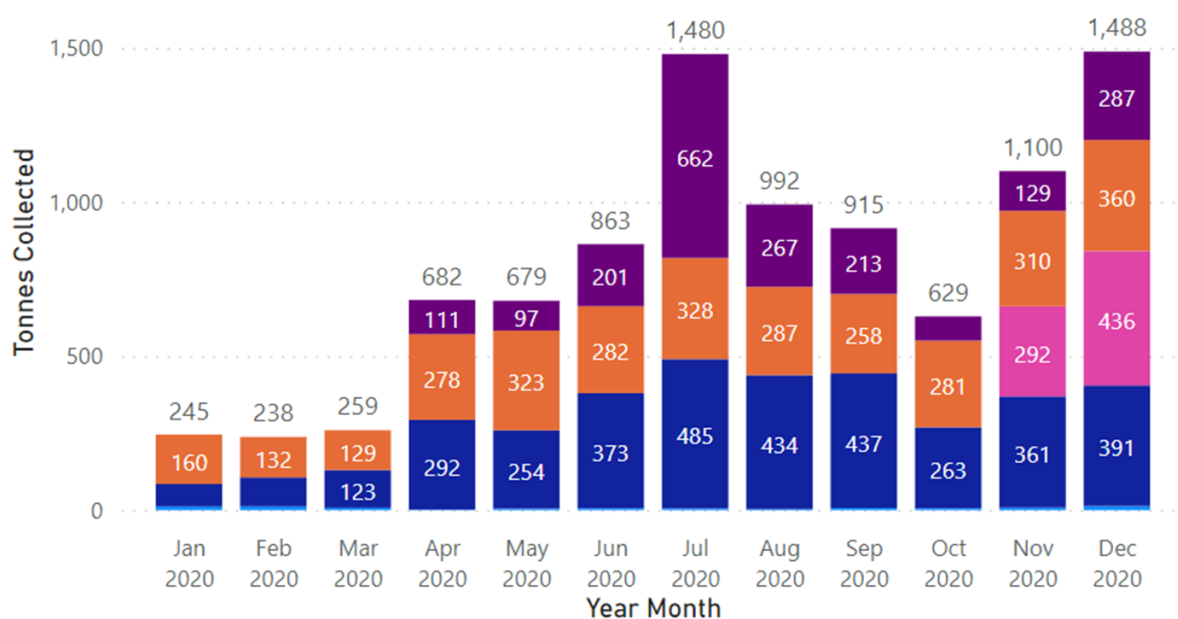
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Suppliers - 2016-2020



Tonnes Collected by Operation and Month

Operation ● Central London ● North London ● South London ● West London ● Direct Delivery

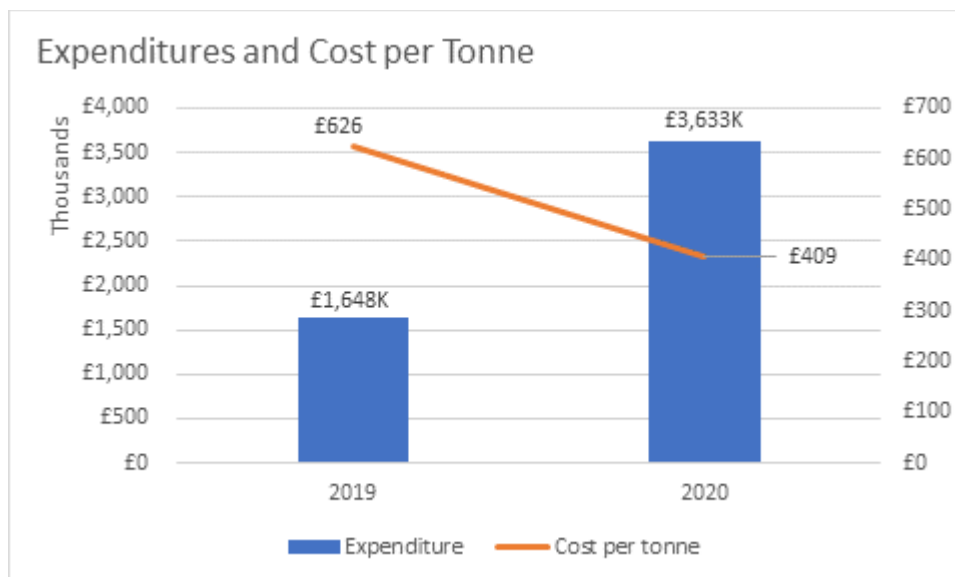


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Meals Delivered by Operation and Month

Operation ● Central London ● North London ● South London ● West London ● Direct Delivery



Our charity and community partners.

We continue to support charities delivering a wide range of services. In 2020 almost all the charities and local community organisations we work with had to change or adapt their services because of the pandemic. Many were forced to close their doors to visitors. Some were also closed themselves for periods of time for various reasons including where they were impacted by risks to their own volunteer workforce. Where local provision

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was impacted, our work with the London Food Alliance, the local authorities and other key partners, some of whom were set up in response to COVID19, meant people or communities that had found their access to food aid provision restricted or cut off could be redirected to an alternative local food collection or distribution service.

Across London local volunteer emergency response groups emerged and either through the charities and community organisations we were already working with, or new ones that emerged, we were able to grow our reach to nearly 1000 charities, schools and other community organisations by the end of 2020. The result was that we estimate an average of 266,000 people were being reached each week and that the equivalent of 21.1m meals were redistributed to communities across London in 2020.

Whilst many of our partners worked tirelessly to continue to offer the holistic services they provide to a huge range of beneficiaries, in many cases, the challenges of the pandemic meant that the priority was to ensure that people could continue to access food. Therefore, we made the commitment to ensure this basic need and right was provided for wherever we could. This enabled our partners to focus their limited and stretched resources on finding ways to offer all of the other critical support and services that hundreds of thousands of people from vulnerable communities needed during the health crisis.

In 2021, as the long term impact of the pandemic legacy is experienced, we will continue to work closely with our growing number of community partners including charities, schools, food banks, refuges, shelters, youth organisations, local authority hubs and many others to help them adapt and change their services to meet the challenges and demands they face. Within our strategic plan, in 2021 we will have established a new dedicated community engagement team headed up by Rachel Ledwith who joined us when we took over the FareShare London operation in November 2020. The new team, to be in place by Q2 2021, will work alongside, complement and enhance our existing depot and operations teams of staff and volunteers. This will further engage and develop our relationships with existing partners as well as identify and onboard those who we are not yet reaching and wish to support in the future as part of our plans for growth.

Our Suppliers

Without the engagement with and donations from businesses that supply food, The Felix Project cannot exist. We are very grateful for the commitment, innovation and social responsibility demonstrated by businesses that partner with us to ensure that we continuously and sustainably increase our food supply. Most business divert surplus to prevent waste. However, some also provide donations that may not always become waste, as a key part of their corporate social responsibility approaches.

We saw a significant increase in volumes of food redirected to us in 2020, enabling us to achieve the phenomenal level of growth from 2019. Over 9000 metric tonnes of food was supplied, which enabled us to achieve 21.1m meals redistributed. Of this about 94% was surplus food that was prevented from becoming waste and having a devastating impact on the environment where it would end up as landfill. By the end of 2020 we had significantly increased our food supply partners. Unfortunately, this number was lower than it may have been as some of our partners reduced, paused or ceased trading or went out of business altogether as a result of the impact of the pandemic.

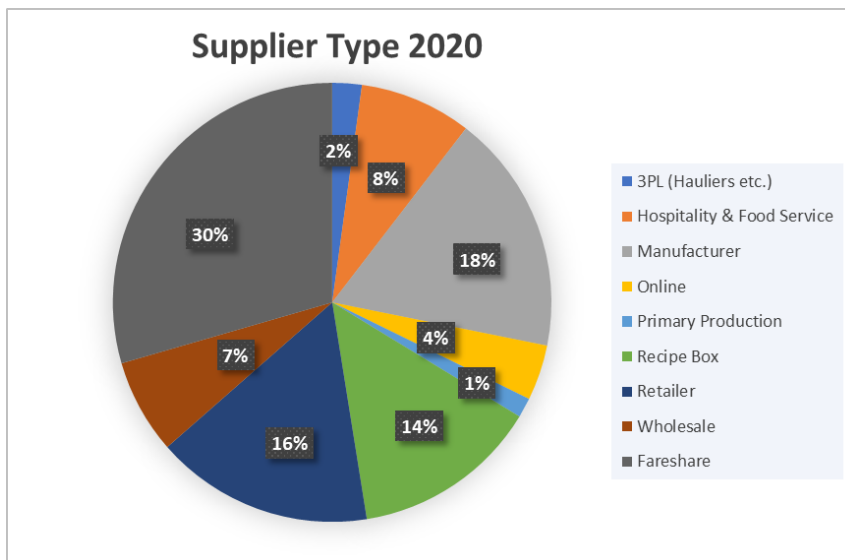
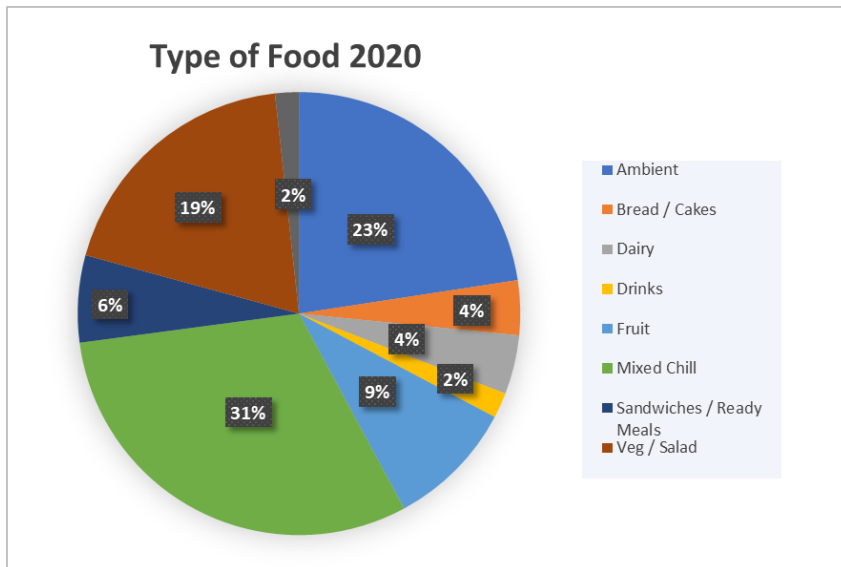
In 2020 we also received a significant amount of food purchased by government (DEFRA) in response to the pandemic to ensure that food redistribution charities across the UK could meet the soaring demand due to

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COVID19. In 2020 we received 549 metric tonnes of food from this programme which will continue to run until April 2021 (Q1 2021).

In addition to the millions of meals from thousands of tonnes of food that we secure by independently establishing, developing and maintaining partnerships with our own food business partners, in late 2020 we started to receive significant volumes of food from FareShare UK. This is part of the arrangement made when we took over their London operations and became their independent exclusive partner for last mile food redistribution for the entire London region. We undertook this work and partnered with FareShare as we believed this offers a fantastic opportunity sustainably to grow the volume of surplus food that can be supplied and redistributed to all of London in 2021 and beyond. As our partnership strengthens, we expect to see significant growth in food supply volumes from FareShare UK to The Felix Project, in addition to growing the volume of food that we independently source to enable us to reach our ambitious growth plans.



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We will continue to aim to increase the proportion of food coming from 'upstream' sources in the supply chain, for example, direct from farms, growers and manufacturers, wholesalers and from the distribution hubs of supermarket chains. The benefit of this is the greater length of time it will give us to manage our own stock levels as we will receive food with a longer life before it has to be consumed. This puts us in greater control of the food supply chain. Furthermore, it is also a more economical and efficient way to collect or receive food that has not been prepared for end-user consumers – often meaning it is palletted or contained in boxes or crates that are fully labelled with dates, allergens and other key info.

Because of continued ongoing investment in chiller vans and chiller units in depots, we now have the ability to handle safely greater quantities of meat, fish and poultry, which are in demand and enormously needed by the charities we deliver it to.

Our Staff

Investment in the staff team accelerated in 2020. In March 2020, a new Finance Director was appointed, and the new role of Head of People & Volunteering was created.

The Senior Management Team is comprised of the CEO, Finance Director, Director of Operations, and Director of Fundraising & Marketing. The team is supported by the CIO and Head of People & Volunteering. Additionally, new appointments in people & volunteering management, fundraising, IT, governance, operations and administrative staff were made to support our significant growth across the charity. The average number of staff grew from 22 in 2019 to 39 in 2020 with 62 (FTE of 54.7) at the end of the year.

Our Volunteers

Volunteers are at the forefront of what we do at The Felix Project. In 2020 we increased active monthly volunteer numbers from 500 to over 700, in spite of the fact that we had to drastically limit the number of volunteer shifts on offer in line with government guidance on social distancing, in order to keep all our people safe.

We simply couldn't continue to achieve the results we do without our volunteers' generous commitment of time, skills and energy. They are crucial to the operation of our depots, where they work as drivers, co-drivers and warehouse assistants, and to our Central London Operation, where volunteers collect and deliver food in electric vans, on foot and on cycles at lunchtime and after work.

In normal times volunteers help us with fundraising, marketing and promotion, book-keeping, administration, social media, bucket collections and on our stalls at food festivals and other events where we raise awareness of our work and recruit new volunteers. They are absolutely fundamental to every area of our work.

We work hard to build a happy and rewarding environment for our volunteers. This includes organising social events (online during 2020 due to the pandemic) and providing valuable experience and training as a means for people to gain skills. We invite feedback from volunteers about their shifts and through volunteer forums and surveys which show that volunteering with us makes a difference to hundreds of people from all ages and all walks of life. We have an annual staff survey, after which we create an action plan to try and improve the volunteer experience further. We focus on volunteer wellbeing, actively aiming to support people on shift and also those who have been isolating over the past year, by making volunteer welfare calls and making effort to try and stay connected with online events.

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Corporate volunteering (although restricted during the pandemic) is important to us and gives employers an opportunity to engage staff in a positive teambuilding experience with a difference.

Our new Volunteer Trustees Cath Thorpe (appointed Oct 2020) and Marie Belsey (appointed Dec 2020) bring the voice of volunteers to the trustee board. They volunteer regularly themselves and get valuable input from Volunteer Voice which launched in September 2018 with volunteer representatives from each of our operations meeting quarterly to discuss volunteering issues.

A Head of People & Volunteering recruited in early 2020, together with the three Volunteer Managers, a Learning & Development Manager, and a part-time HR Administrator, now forms the People Team. With support of Volunteer Voice and the new volunteer Trustees, they are developing and improving a comprehensive *Volunteer Journey* programme to enhance the experience volunteers have at the charity, improving recruitment, retention, and satisfaction of all volunteers.

The Trustees would like to express their gratitude for the time, skills and dedication of all our volunteers.

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Impact

In 2020 we planned to initiate an outcomes based measurement approach with the development of a Theory of Change model. When implemented this will enable us to develop a robust model that helps us to understand and measure the social change that results from the work that we do. The initiation of the work has not been possible due to the need to ensure resources were prioritised for food rescue and redistribution in the pandemic. In the second half of 2021 the new community facing team resource within our operations team will be responsible for reinitiating this work.

Our impact is primarily driven by measuring our outputs which also provides some insight into and evidence of the outcomes we achieve as a result of the work we do. These are:

- Every £1 spent on rescued & redistributed food saves £10 of food at retail value. This is the value we return to Londoners and the charities, schools and other community organisations we work with who do not have to purchase this food to help meet the demand from those at risk of hunger and malnutrition.
- We aim to reduce avoidable, edible food waste. We measure by weight how much food we are collecting and delivering. This can be attributable to a reduction in harmful greenhouse gases since much of the food we rescue is diverted from becoming landfill.
- We track the number of suppliers and charities we work with. This gives us insight into the size and scale of our work and the number of organisations it takes to collaborate with us to bring about the outcomes we seek to achieve. It also helps us to demonstrate how many food businesses we work with to reduce their food waste and impact on the environment and how many charities and community organisations we support across London communities.
- With the introduction of the GLADYS operating system in 2021 across all of our operations we will have more accuracy in measuring the weight and quantities of all food we collect and distribute, as well as tracking and tracing the food through to charity and community partners.
- Our primary aim is to reduce food poverty. We survey our charities and schools by telephone and face-to-face interviews. This helps us understand how our rescued food makes a difference to vulnerable people across London.
- We also collect anecdotal information and case studies from the front line which enable us to tell stories of the people and organisations our work impacts upon – this now also includes mapping the journey of food from the supplier to the end beneficiary. We do this using traditional methods and increasingly using digital media to capture video and photography to bring real people's stories to life.
- We aim to improve well-being. By providing a high proportion of nutritious food, we are contributing to improved access to healthier food; many charities we work with also provide hot food and opportunities for the community to socialise with each other, reducing loneliness. By auditing our charities, schools and holiday programmes we can see how the quality of thousands of people's lives each week is improved.
- We aim to build a sense of community for our own volunteers. By surveying our volunteers, we can see how working with The Felix Project makes a difference to hundreds of people from all walks of life. We have also developed our volunteer journey – making improvements across each stage of our engagement with our community of volunteers including training and development for those who seek this.
- We aim to make a financial difference to charities, primary schools and holiday programme providers, particularly small charities operating on extremely small budgets. Our food is delivered free of charge

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giving many of these charities, schools and holiday programme providers the opportunity to direct their funds in other ways and make their money go further. By taking over FareShare's London operation in 2020 we reduced the fees previously charged before the pandemic by over £300k pa to c300 charity and community organisations.

- We aim to develop workplace skills for a diverse community through our volunteering schemes and intern programmes. We provide valuable experience and training for people who are not currently in employment, education or training (NEET) as a means for local people to gain skills, socialise and connect. In 2021 we will actively seek to initiate employability and entry to work programmes for predominantly young people most at risk of becoming NEET.

Our Wider Impact

We have previously reported how our rapid growth is evidence of our ability to be a key part of the solution to reducing food poverty sustainably. In 2020 almost all of our development focus turned to achieving operational growth and delivery to address the challenges faced due to the pandemic. Our work in the areas listed below still holds great importance, not least due to our significant levels of growth achieved in 2020. In 2021 we aim to rebalance the focus of our work to continue developing our insights, understanding and capability to be a pioneering and leading organisation across the following areas where we believe we have wider impact:

- We were instrumental in the discussions about food waste/food poverty that directly led to the Department for Environment, Food & Rural Affairs (Defra) pilot grant of £5m to "unlock" more surplus food from the food industry and make it available to people in food poverty. Due to our experience, role, size and scale we will explore ways in which we can continue to shape thinking and influence decision and policy making on how food waste and food poverty is addressed.
- In Autumn 2018 we accepted an invitation to be part of the "End Hunger UK" consortium, that lobbies government and raises public awareness of the topic of food poverty. End Hunger UK's campaign to persuade the Government to develop a regular measurement of food poverty in February 2019 was a major coup in putting this topic on the Government's agenda going forward. Now, more than ever this issue remains a key driver for our existence and we will maximise our position of strength as a credible, successful and experienced leading charity in this space to continue to campaign, raise awareness and influence change and action.

Our work over the past 5 years has made us one of the major players in the food re-distribution charity sector. We believe we have now grown to become the largest independent end to end food redistribution charity in the UK and one of the largest in Europe. Awareness of our work and impact is high, both within the food industry and among the public (particularly in London). This is especially the case after our growth in 2020 and because the cause and issues we tackle became a very high public interest matter as a result of the pandemic. Our reputation is enabling us to have an increasing voice in raising awareness and developing solutions to deal with the injustice of food poverty.

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Principal Risks

As part of the ongoing assessment of our strategic risks, and following the initial three year strategic planning exercise that was undertaken in 2019, the Executive Leadership Team and Board redefined and updated the charity risk management strategy. The primary strategic risks are categorised as follows:

Sustainability of (Fundraising) Income Growth: The growth of fundraising income may not be sustainable in the medium to long term. Impact of not achieving growth in financial plan may result in a breach of reserves policy.

Insufficient Food Supply: The growth of food supply may not meet demand. This may have the impact of not being able to achieve our strategic goals, serve to our charity and community partners and lose credibility and adverse PR.

Breach of Health and Safety (Including Food Standards) policy; If we experience a serious health and safety breach in our operations. Impact could be significantly damaging PR, loss of life or injury, criminal investigation and /or regulatory action

People: Any adverse relationship between volunteer and staff may have a negative impact on the charity. People relations (employees and volunteers) through a time of organisational growth & development may impact on our ability to achieve our objectives.

Insufficient Food Re-distribution: Any failure of the charity to develop the core capability to grow food re-distribution to meet demand. Impact on our PR and credibility and failure to achieve our core Mission and strategic objectives

Data Loss or breach and/or Inaccuracy; Our technology systems and processes & procedures result in serious data privacy loss or breach or we experience key insights inefficiencies. PR or other damage to the charity including regulatory reprimand or fine and complaints. Cost of time and performance due to poor systems or technology.

Brand & Reputation; A general other serious impact on our Brand and PR due to actions of individuals and/or organisational failure (e.g. negative news story or social media action). Impact could result in reduced funding, loss of donors and supporters, volunteers or other stakeholders.

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REFERENCE AND ADMINISTRATIVE INFORMATION

The Charity is a company limited by guarantee (registered with Companies House under number 10068253) and registered with the Charity Commission under number 1168183.

Trustees

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

Justin Byam Shaw (Deputy Chair, Acting Chair to March 2020, Fundraising Committee Chair)

Gavin Darby (Chair – from April 2020, Operations Committee Chair)

Michael Millership

Francesco Vanni d'Archirafi

Jane Byam Shaw

Sophie Ejsmond (Resigned December 2020)

David Hudd

John Richardson (Resigned September 2020)

Julian Wakeham (Finance Committee Chair)

Cath Thorpe (from October 2020, People Committee Chair)

Marie Belsey (from December 2020)

Senior management Mark Curtin – Chief Executive
 Sandrine Cotter – Director of Finance and Services
 Andrew Holland – Director of Fundraising
 Mark Simpson – Director of Operations

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Auditor HW Fisher LLP
 Acre House
 11-15 William Road
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Banker National Westminster Bank plc
 1 Abbey Road
 Park Royal
 London NW10 7YQ

Solicitor Hogan Lovells
 Atlantic House
 Holborn Viaduct
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STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The organisation is a charitable company limited by guarantee, incorporated in the UK and registered as a charity. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed by its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

Governance

In accordance with the Articles of Association, Trustees are appointed to the Board by resolution of the Trustees. At the annual general meeting one-third of the trustees will retire from office but may stand for re-election according to the procedures laid out in the Articles of Association.

Prior to appointment, a prospective Trustee is invited to attend a meeting of the Board, as an observer, before confirming his or her willingness, or otherwise, to stand for election. Once appointed, each new Trustee is issued with copies of the Charity's governing document, the latest financial statements and the Charity Commission's publication "The Essential Trustee: what you need to know". The Chief Executive Officer also offers an induction meeting with each new Trustee shortly after appointment.

Given the nature of the Charity's work, the Trustees seek to maintain a broad range of skills on the Board. Essential skills in business, finance and fundraising are represented on the Board, as well as experience of volunteering; a number of Trustees volunteer regularly and two Trustees are appointed to represent the volunteer workforce.

In their professional lives, some Trustees have received training in relevant areas, such as corporate governance and finance, and some are also experienced charity trustees with relevant training from other organisations on whose boards they serve. Additional training is provided as required.

All Trustees give their time voluntarily and have received no benefits from the Charity. No personal expenses were reclaimed from the Charity during the period.

In April 2020 the Trustee board appointed Gavin Darby as the new chairman. Gavin joined the charity with significant senior executive level experience within both the food industry and technology and telecoms industry. Gavin was most recently president of the Food and Drink Federation and a CEO of one of the UK's largest food manufacturing businesses, Premier Foods. In addition to Gavin's extensive experience as a senior executive in many businesses, his credibility, gravitas and outstanding leadership credentials has brought a wealth of additional benefit to our Trustee board, following the sad passing of our beloved chairman Vanni Treves who passed away in 2019.

Despite the challenges of the COVID19 pandemic, Gavin quickly established himself with the full board and other stakeholders and built his understanding of the charity, developing key relationships and taking a leadership role, particularly by supporting our CEO Mark Curtin in both dealing with the response to COVID and ensuring that strategic planning, financial forecasting, and development of organisational corporate governance were put into place.

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In Q4 of 2020, we also had two existing volunteers become Trustees in the role of volunteer representatives following the resignation of Sophie Ejsmond and John Richardson. The board of Trustees stated their huge thanks and appreciation to both Sophie and John for over 2 years of outstanding service that helped the charity to develop and grow. Their roles in advancing and developing our volunteer voice ensured volunteering development was a key strategic driver in the organisational development.

The board and senior team are delighted that both Cath Thorpe and Marie Belsey join the board with a wealth of professional experience as a lawyer and a senior executive in the energy sector respectively. As regular long-standing volunteers within our depots, including Marie's time as a volunteer at the FareShare London operation both are very well placed to bring great insight, understanding and a range of skills and experiences to the Trustee board and the wider organisation.

In quarter 4 of 2020 Gavin Darby (Chair) and Mark Curtin (CEO) worked with the board to put in place an updated and expanded governance structure to reflect the growth in size and scale of the charity, and to provide mechanisms for more robust review, scrutiny and development of plans across all areas of the charity. This new structure of sub committees for finance, fundraising, operations and people and volunteering, together with advisory groups for marketing and technology all formally agreed terms of reference by January 2021. They began meeting formally in Q1 2021.

As part of the development of the governance structure full Trustee meetings are now planned for the 4th week of the start of each new quarter (April, July, October, January) with an additional AGM and end of year meeting in December. The SMT will prepare quarterly performance management reports and any other key information and updates that will have been reviewed and discussed at the relevant sub-committee in the weeks before the full board meeting. Other board meeting agendas will be determined with at least 50% of board meeting time focused on forward looking projects, programmes of work and strategic direction.

The board appointed Sharon Littlejohn an experienced governance and board administration support professional as the charity secretary and board and senior management team administration and support officer in October 2020.

Management

The Trustees are responsible for the strategic direction and policy of The Felix Project and met 5 times in 2020. Responsibility for the day-to-day management of the Charity's operations and delivery of its services were delegated to the Chief Executive Officer, Mark Curtin. The Chief Executive Officer managed the senior leadership team in 2020, which comprised the Director of Finance and Services, Director of Fundraising & Marketing, and the Director of Operations. An extended leadership team is also comprised of the Head of People & Volunteering and consultant CIO.

It is essential for the success of The Felix Project (and therefore in the best interests of its beneficiaries) that its key management personnel offer an appropriate blend of skills and experience, in-depth knowledge and experience of distribution, business development and operational growth, acquired through having worked extensively in relevant sectors. In setting the remuneration of the Chief Executive Officer, the Trustees' policy is to balance remuneration levels of Chief Executive Officers of London-based charities of equivalent size and complexity, with those of Chief Executive Officers/Senior Leaders from relevant industry sectors.

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The Felix Project has a wholly owned trading subsidiary, The Felix Project Trading Company Limited was created in 2019 for the purpose of managing trading activity only. Any profits made in the trading subsidiary will be donated in full to The Felix Project. No staff will be employed by the trading subsidiary. The subsidiary has not traded in the year, so consolidated accounts have not been prepared as the subsidiary undertaking is immaterial to the group.

2021 Q1 – POST REPORTING PERIOD UPDATE COVID19/CORONAVIRUS IMPACT AND RESPONSE.

During Quarter 1 of 2021, the continued response to the Coronavirus has meant that the charity continues to operate with restrictions and additional measures in place to ensure the health and safety of its staff and volunteers in the workplace as well as how it operates when working in partnership with its recipient charity and community partners, donors and supporters.

Most notably this includes restrictions on the number of people on shift in depots and in vans, including the removal of co-drivers who are not from the same household or support bubble, restrictions on non-operational staff working on site, restrictions on visitors to the sites and a range of other measures designed to ensure adherence to government guidance during lockdown.

Having undertaken all of the measures required to adapt to working practices in 2020, the charity has continued to grow and is following its strategic business plan and budget as approved by the board of Trustees in Q4 of 2020. Essentially, the charity has now adapted its ways of working so that any restrictions or requirements to adapt working practices have become the 'new normal'. The Felix Project has demonstrated its capability to be an agile, adaptive and innovative organisation, with the cause and its mission always front and centre of its drive to continue to meet its responsibilities and commitments for its charitable objectives despite the challenges that the pandemic continues to bring.

In Q1 2021 the following has been achieved:

- The equivalent ≥ 11 m meals have been redistributed to communities across London.
- The continued growth in food volumes has in part been possible due to the continued supply of food from government (DEFRA) funded food. We are also now receiving approximately 50% of our food supply from FareShare UK as part of the arrangement completed in 2020 and we are growing our own supply with new food donation partners and establishing new supply lines from large retail distribution centres around the Greater London and surrounding areas.
- The adoption and integration of the GLADYS food tracking and traceability system and technology platform is in its final stages of roll out across all operations.
- The design and development of the East London depot is at the stage where the lease for the building is about to commence and building work will be completed in May for a spring opening.
- Felix's Kitchen operation is progressing as per the plan; capital funds have been secured in principle from a major Trust donor and over £800,000 of the required match funding for the operating costs have been secured from various funders. Tenancy of the building is planned to commence in Q2 when building work and fit out will be completed for a Q3 opening.
- Fundraising income continues to track ahead of budget giving confidence that both the operating growth plans and the investments required to enable sustainable growth over a prolonged period of time can be achieved without placing the charity with undue risk.

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- Our People team have initiated a range of new staff and volunteer development training sessions delivered virtually and have ensured wellbeing and support for those working across all teams is in place constantly.
- Our volunteer recruitment remains strong, with more than 500 new volunteers registered to volunteer at our East London depot, where staff recruitment is also underway with the appointment of a depot manager and operating team in time for opening.
- We have also begun to recruit staff and volunteers for Felix's Kitchen, Leon Aarts a highly successful, vastly experienced former chef, restaurateur and founder and CEO of professional production kitchen charity Compassion London (a partner charity of The Felix Project) will join us in May 2021 to take up the full time post of Head of Felix's Kitchen.
- Our investment in technology advancement and transformation continues on plan and on budget with a new fundraising CRM phase 1 complete and several other projects within our technology road map (a key part of our 3 year strategic plan) underway including improved volunteer management systems, financial management systems and marketing automation.
- Our finance team are making a number of developments and improvements to our systems, controls, ways of working and policies under the guidance of the finance committee to ensure that we continue to have robust and best practice approaches to financial planning and management as we grow.
- The revised and updated charity governance structure put into place in Q4 of 2020 is now operating with all board subcommittee and advisory groups meeting as planned with terms of reference and required trustees, staff and external advisors attending as planned. We are benefitting from the advice and guidance of a range of professional commercial and charity sector leading experts who have joined advisory groups for marketing, technology and people and volunteering and are giving their time as volunteers to help us execute our strategic plans for growth, reach and impact.

RISK MANAGEMENT

The Trustees are accountable for the strategic management of risks faced by the Charity, delegating responsibility for the day-to-day management and mitigation of identified risks to the Executive Leadership Team, which formally reports regularly to the Trustees and brings to their attention any significant increases in risks, should they arise. Whilst it is accepted that the Charity's risk management strategies cannot offer absolute assurance against all forms of loss or damage, the Trustees are satisfied that the measures deployed mitigate exposure to the most significant risks to the Charity. The Trustees review the Charity's strategic risks regularly to identify new and additional risks and to implement of measure to mitigate risks. They are satisfied that systems are in place to mitigate exposure to all major risks.

INVESTMENT POLICY

The Charity had no investments in 2020.

RELATED PARTIES

In 2020 there were no issues of conflicts of interest or inappropriate appointments of related parties.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to

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the audit, but of which the auditor is unaware. They have further confirmed that they have each taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

AUDITORS

HW Fisher LLP have indicated their willingness to act as auditors to the Charity and, in accordance with the provisions of the Companies Act 2006, it is proposed that they be re-appointed auditors for the ensuing year.

On behalf of the board of Trustees



.....
Mr Gavin Darby
Chair of the Board of Trustees

Dated: 28 April 2021

**THE FELIX PROJECT
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STATEMENT OF TRUSTEES' RESPONSIBILITIES**

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees, who are also the directors of The Felix Project 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;
- state whether applicable UK 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 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.

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INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF THE FELIX PROJECT

Opinion

We have audited the financial statements of The Felix Project (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cashflows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, 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 charity 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance

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TO THE MEMBERS OF THE FELIX PROJECT

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, which includes the Strategic Report and the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report included within the Trustees' Report.

We have nothing to report in respect of the following matters where 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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.

THE FELIX PROJECT (A COMPANY LIMITED BY GUARANTEE) INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE FELIX PROJECT

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

As part of our planning process:

- We enquired of management the systems and controls the charity has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud. The charity did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the company. We determined that the following were most relevant: the Charity SORP, FRS 102, Charities Act 2011 and, Companies Act 2006
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates, in particular in relation to the dilapidations provision and the value of the transfer of assets from FareShare.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key income lines, in particular cut-off, for evidence of management bias.
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted, designated and restricted funds.
- Performing a physical verification of key assets.
- Obtaining third-party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as the charity board minutes, for discussions of irregularities including fraud.

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

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF THE FELIX PROJECT

audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the trustees of the charity.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

HW Fisher LLP

**Andrew Rich (Senior Statutory Auditor)
for and on behalf of HW Fisher LLP**

**Chartered Accountants
Statutory Auditor**

Acre House
11-15 William Road
London
NW1 3ER
United Kingdom

12/5/21.....

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 DECEMBER 2020

		Unrestricted funds	Restricted funds	Total 2020	Unrestricted funds	Restricted funds	Total 2019
	Notes	£	£	£	£	£	£
<u>Income and endowments from:</u>							
Donations and grants receivable	2	10,024,358	1,722,503	11,746,861	1,329,670	649,493	1,979,163
Income from other fundraising activities	3	139,745	400,000	539,745	0	0	0
Other income	4	73,584	0	73,584	3,642	0	3,642
Total income		10,237,687	2,122,503	12,360,190	1,333,312	649,493	1,982,805
<u>Expenditure on:</u>							
Raising funds	5	558,656	139,986	698,641	269,307	0	269,307
Charitable activities	6	1,662,570	1,271,896	2,934,466	722,518	656,669	1,379,187
Total resources expended		2,221,226	1,411,882	3,633,108	991,825	656,669	1,648,494
Net (outgoing)/incoming resources before transfers		8,016,461	710,621	8,727,082	341,487	(7,176)	334,311
Gross transfers between funds		310,822	(310,822)	0	85,313	(85,313)	0
Net income for the year/Net movement in funds		8,327,283	399,799	8,727,082	426,800	(92,489)	334,311
Fund balances at 1 January		2,279,215	277,834	2,557,049	1,852,415	370,323	2,222,738
Fund balances at 31 December		10,606,498	677,633	11,284,131	2,279,215	277,834	2,557,049

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.

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET**

AS AT 31 DECEMBER 2020

		2020		2019	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	10		155,999		1,087
Tangible assets	11		528,483		299,001
			<u>684,482</u>		<u>300,088</u>
Current assets					
Debtors	13	1,051,171		775,844	
Cash at bank and in hand		10,208,378		1,544,511	
			<u>11,259,549</u>	<u>2,320,355</u>	
Creditors: amounts falling due within one year	14		<u>(359,901)</u>	<u>(63,394)</u>	
Net current assets			10,899,648		2,256,961
Total assets less current liabilities			<u>11,584,130</u>		<u>2,557,049</u>
Creditors amounts falling due after more than one year	15		(75,000)		0
Provision for other liabilities	16		(225,000)		0
Total assets less liabilities			<u>11,284,130</u>		<u>2,557,049</u>
Income funds					
Restricted funds	17		677,633		277,834
Unrestricted funds					
General funds			4,668,316		1,354,215
Designated funds	18		5,938,181		925,000
			<u>10,606,497</u>		<u>2,279,215</u>
			<u>11,284,130</u>		<u>2,557,049</u>

The financial statements were approved by the trustees on 28 April 2021



Gavin Darby
Chair of the Board of Trustees

Company Registration No. 10068253

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASHFLOWS**

FOR YEAR ENDED 31 DECEMBER 2020

Cashflows from operating activities		2020	2019
		£	£
Net cash provided by operating activities	A	8,870,246	253,761
Cashflows from investing activities			
Purchase of fixed assets		(225,758)	(69,837)
Disposal of fixed assets		13,303	0
Bank interest income		6,076	3,642
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		8,663,867	187,566
Cash and cash equivalents at 1 January		1,544,511	1,356,945
		<hr/>	<hr/>
Cash and cash equivalents at 31 December		10,208,378	1,544,511
		<hr/> <hr/>	<hr/> <hr/>

A - Reconciliation of net movement in funds to net cash provided by (used in) operating activities

	2020	2019
	£	£
Net movement in funds (as per the statement of financial activities)	8,727,081	334,311
Adjustments for:		
Fixed Asset Gifts in kind income	(141,390)	0
Net impact of transfer in of FareShare London operations	(49,126)	0
Depreciation and Fixed Asset Impairment charges	179,618	128,311
Gain on disposal of fixed assets	(10,882)	0
Loss on disposal of fixed assets	4,427	0
Bank interest Income	(6,076)	(3,642)
(Increase)/decrease in debtors	(108,354)	(151,855)
Increase/(decrease) in creditors	274,948	(53,364)
	<hr/>	<hr/>
Net cash provided by operating activities	8,870,246	253,761
	<hr/>	<hr/>

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

The Felix Project is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit 6, Kendal Court, Kendal Avenue, Park Royal, London, W3 0RU.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, 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)" (effective 1 January 2019). 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 £.

The financial statements have been prepared under the historical cost convention.

1.2 Going concern

The Trustees' Report outlines the impact of COVID19/Coronavirus on the charity. The main risks faced by the charity as a result of the health crisis were a shortage of food, volunteers and/or funds. Due to the incredible response from the charity's suppliers, volunteers and donors, 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 funds which can be used in accordance with the charitable objects at the discretion of the trustees. Designated funds are funds which have been set aside out of unrestricted funds at the discretion of the trustees to ensure planned growth is sustainable and responsibly funded.

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.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

The value of services provided by volunteers has not been included in these financial statements.

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2020

Intangible income (such as goods or services provided free to the charity) is included where a third party is bearing the cost of supplying the resources and these costs can be quantified with reasonable accuracy.

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of fundraising.
- Expenditure on charitable activities includes the costs of the delivery of its activities.

Support and governance costs are allocated to Charitable and Raising Funds activities in proportion to average staff numbers directly employed in the respective activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible and intangible fixed 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 and other short-term liquid investments with original maturities of three months or less.

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.

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2020

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.

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.

1.12 Critical accounting estimates

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.

There were no critical accounting estimates or judgements made in the year.

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2020

2 Donations and grants receivable

	Unrestricted funds	Restricted funds	Total 2020	Unrestricted funds	Restricted funds	Total 2019
	£	£	£	£	£	£
Fundraising events	1,625,233	0	1,625,233	405,622	312,440	718,063
Corporate and Partnerships	4,275,999	325,305	4,601,304	231,442	69,604	301,046
Trusts and Foundations	1,047,766	992,754	2,040,520	481,770	49,984	531,754
Government Grants	0	279,257	279,257	0	192,126	192,126
Major Donors	1,083,203	100,000	1,183,203	16,113	25,339	41,452
Individual Giving	995,609	25,187	1,020,796	33,302	0	33,302
Community and Challenges	442,440	0	442,440	161,421	0	161,421
Donated goods and services	554,108	0	554,108	0	0	0
	<u>10,024,358</u>	<u>1,722,503</u>	<u>11,746,861</u>	<u>1,329,670</u>	<u>649,493</u>	<u>1,979,163</u>

Donated goods and services comprise £317,707 pro bono legal and professional fees, £112,100 pro bono software development consultancy, and £124,301 van hire, temporary premises, waste disposal and other capital assets donated.

The Charity received/rescued donation of an estimated 9569 tonnes of food for distribution during 2020 equivalent to an estimated 21 million meals. In addition, 70,000 hours of volunteer time with an estimated equivalent cost of £950k was provided to the Charity. Neither donated food nor volunteer time are recognised in the accounts.

3 Income from other fundraising activities

	Unrestricted funds	Restricted funds	Total 2020	Unrestricted funds	Restricted funds	Total 2019
	£	£	£	£	£	£
Sale of donated goods	139,745	400,000	539,745	0	0	0
	<u>139,745</u>	<u>400,000</u>	<u>539,745</u>	<u>0</u>	<u>0</u>	<u>0</u>

4 Other Income

	2020	2019
	£	£
Transfer in of FareShare London operations	56,626	0
Gain on disposal of fixed assets	10,882	0
Bank Interest	6,076	3,642
	<u>73,584</u>	<u>3,642</u>

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2020

5 Raising Funds

	2020	2019
	£	£
<u>Fundraising and publicity</u>		
Staff Costs	347,455	198,250
Other Fundraising and publicity expenditure	230,889	71,057
	<u>578,344</u>	<u>269,307</u>
Share of support costs (see note 7)	107,808	0
Share of governance costs (see note 7)	12,490	0
	<u>698,642</u>	<u>269,307</u>
Analysis by fund		
Unrestricted funds	558,656	269,307
Restricted funds	139,986	0
	<u>698,642</u>	<u>269,307</u>

6 Charitable Activities

	2020	2019
	£	£
Staff Costs	851,309	524,789
Other Charitable Expenditure	1,707,228	570,939
	<u>2,558,537</u>	<u>1,095,728</u>
Share of support costs (see note 7)	336,899	243,391
Share of governance costs (see note 7)	39,031	40,068
	<u>2,934,467</u>	<u>1,379,187</u>
Analysis by fund		
Unrestricted funds	1,662,571	722,518
Restricted funds	1,271,896	656,669
	<u>2,934,467</u>	<u>1,379,187</u>

Other Charitable Expenditure in 2020 includes £380,000 (2019 £0) of legal fees (for acquisition of FareShare London operations), premises, van hire and waste disposal costs provided on a pro-bono/gift in kind basis.

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2020

7 Support Costs

	Support costs	Governance costs	2020	Support costs	Governance costs	2019
	£	£	£	£	£	£
Staff Costs	231,704	31,868	263,572	98,518	23,885	122,403
Professional fees	60,197	0	60,197	17,975	13	17,988
IT and Communications	37,485	0	37,485	26,187	0	26,187
IT Strategy	70,240	0	70,240	0	0	0
Other support and governance costs	45,081	19,653	64,734	100,711	16,170	116,881
	<u>444,707</u>	<u>51,521</u>	<u>496,228</u>	<u>243,391</u>	<u>40,068</u>	<u>283,459</u>

Other Governance costs include £18,000 (2019: £14,400) for statutory audit fees. In 2020 £10,657 was paid to the Auditors for other services including tax advice, payroll services and fund audits. Support and governance costs are allocated to Charitable and Raising Funds activities in proportion to average staff numbers directly employed in the respective activities.

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year. No trustees have claimed expenses during the year.

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2020

9 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Raising funds	8	5
Charitable activities	25	14
Support	6	3
	<u>39</u>	<u>22</u>

Employment costs

	2020 £	2019 £
Wages and salaries	1,130,838	738,823
Social security costs	119,594	73,802
Other pension costs	50,475	32,817
	<u>1,300,907</u>	<u>845,442</u>

The Senior Management Team detailed in the trustees' report received total employee remuneration in the year of £273,225 (2019 - £255,651).

Number of employees whose total annualised emoluments fall within following ranges for the year:

	2020	2019
£90,001 - £100,000	1	0
£80,001 - £90,000	0	0
£70,001 - £80,000	1	1
£60,001 - £70,000	1	0

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2020

10 Intangible Fixed Assets

	IT Software	Software development in progress	2020
	£	£	£
Cost			
At 1 January 2020	3,912	0	3,912
Additions	140,600	31,019	171,619
At 31 December 2020	<u>144,512</u>	<u>31,019</u>	<u>175,531</u>
Depreciation			
At 1 January 2020	2,825	0	2,825
Depreciation charge for the year	16,707	0	16,707
At 31 December 2020	<u>19,532</u>	<u>0</u>	<u>19,532</u>
Total			
At 31 December 2020	<u>124,980</u>	<u>31,019</u>	<u>155,999</u>
At 31 December 2019	<u>1,087</u>	<u>0</u>	<u>1,087</u>

IT Software additions in the year comprise the development of a system for managing food collection and distribution operations. Included in this amount is management consultancy valued at £112,100, provided to the Charity on a pro-bono basis and included in Donated Goods and Services income in note 2. Software under development comprises a Fundraising management system due to go live in early 2021.

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2020

11 Tangible Fixed Assets

	Depot Costs	Vehicles	IT Equipment	Equipment and Machinery	2020
	£	£	£	£	£
Cost					
At 1 January 2020	58,927	377,446	19,733	108,535	564,641
Additions	34,759	209,512	18,700	136,270	399,241
Disposals	0	(22,194)	(380)	(7,300)	(29,874)
At 31 December 2020	<u>93,686</u>	<u>564,764</u>	<u>38,053</u>	<u>237,505</u>	<u>934,008</u>
Depreciation					
At 1 January 2020	13,743	206,961	10,565	34,371	265,640
Depreciation charge for the year	15,459	97,631	7,244	33,577	153,911
Accumulated depreciation on asset disposals	0	(19,773)	(211)	(3,042)	(23,026)
At 31 December 2020	<u>29,202</u>	<u>284,819</u>	<u>17,598</u>	<u>64,906</u>	<u>396,525</u>
Impairments	0	(9,000)	0	0	(9,000)
Total					
At 31 December 2020	<u>64,484</u>	<u>270,945</u>	<u>20,455</u>	<u>172,599</u>	<u>528,483</u>
At 31 December 2019	<u>45,184</u>	<u>170,485</u>	<u>9,168</u>	<u>74,163</u>	<u>299,001</u>

Included in additions are an amount of £203,711 (Vehicles £116,898, IT equipment £6,264, Equipment and Machinery £80,549) being fixed assets transferred to the Charity from FareShare.

Impairments result from a review of the condition of a number of vans used by the Charity.

Motor vehicles with a net book value of £112,029 (2019-£0) at 31 December 2020 are held through finance lease arrangements.

12 Transfer of London operations of FareShare to The Felix Project

On 12 November 2020, the London operations of food poverty charity FareShare were transferred to the Felix Project for a consideration of £1. The net assets and liabilities impact of this transfer set out below, is reported in Other income in the Statement of Financial Activities.

	£
Assets and liabilities transferred	
Tangible Fixed Assets	203,711
Small equipment amounts written off	7,500
Finance lease liabilities on Motor vehicles	(96,558)
Provision for dilapidations	(58,027)
Total	<u>56,626</u>

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2020

13 Debtors

	2020	2019
	£	£
Amount falling due within one year:		
Trade debtors	89,262	12,117
Other debtors	252,216	92,642
Prepayments and accrued income	<u>709,693</u>	<u>671,085</u>
	<u>1,051,171</u>	<u>775,844</u>

Other debtors include an amount of £166,973 due in more than one year (see note 16).

14 Creditors: Amount falling due within one year:

	2020	2019
	£	£
Trade creditors	169,055	19,032
Other creditors	47,547	5,288
PAYE and Social Security	44,550	23,467
Accruals and deferred income	<u>98,749</u>	<u>15,607</u>
	<u>359,901</u>	<u>63,394</u>

Other creditors include an amount of £18,531 (2019 - £0) being amounts due within a year for finance leases.

**THE FELIX PROJECT
(A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 DECEMBER 2020

15 Creditors amounts falling due after more than one year

	2020	2019
	£	£
Finance leases (1 to 5 years)	75,000	0
	<u>75,000</u>	<u>0</u>

16 Provision for other liabilities

	At 1 January 2020	Addition in year	At 31 December 2020
	£	£	£
Dilapidations provision	0	225,000	225,000
Total	<u>0</u>	<u>225,000</u>	<u>225,000</u>

This provision represents the Charity's estimated liability for dilapidations on the FareShare depot lease included in the transfer of FareShare London operations to the Charity. An amount of £166,973 included in Other Debtors reflects the amount of this provision to be contributed by FareShare under the terms of the transfer agreement.

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17 Restricted funds

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

2020	Movement in funds				
	Balance at 1 January 2020	Incoming Resources	Resources Expended	Transfers	Balance at 31 December 2020
	£	£	£	£	£
Park Royal Operations (inc rent)	25,835	24,250	(50,085)	0	0
Equipment / Capital	10,844	11,641	(2,130)	0	20,355
Schools Programme	35,339	63,467	(76,937)	0	21,869
Central London Operations	185,964	6,001	(73,533)	(118,432)	0
Volunteers (inc NEET)	19,852	7,602	(10,783)	(16,670)	0
New East London Depot	0	100,000	0	0	100,000
Transport and Vans	0	265,200	(135,466)	(107,542)	22,192
Purchase of Food	0	161,482	(161,482)	0	0
Technology	0	100,000	0	(31,019)	68,981
Kitchen for London	0	460,000	0	0	460,000
Frozen food - WRAP 1	0	63,809	(54,769)	(28,543)	(19,503)
FareShare Funding (General)	0	12,122	(12,122)	0	0
Enfield Operations	0	42,861	(34,245)	(8,616)	0
Across Operations	0	804,068	(800,329)	0	3,739
Totals	277,834	2,122,503	(1,411,882)	(310,822)	677,633
2019	Balance at 1 January 2019	Incoming Resources	Resources Expended	Transfers	Balance at 31 December 2019
	£	£	£	£	£
Support for expansion, interns and training	8,672	0	(8,672)	0	0
Deliveries along M40 corridor	3,690	0	(3,690)	0	0
Park Royal Rent	25,835	50,000	(50,000)	0	25,835
Enfield Vans	23,750	0	(23,750)	0	0
Capital Expenditure (formerly Park Royal Chiller)	33,792	0	0	(22,948)	10,844
Schools Programme	269,584	25,339	(259,584)	0	35,339
Central London Operations	0	332,044	(146,080)	0	185,964
Westminster Operations	5,000	0	(5,000)	0	0
Support for vulnerable and homeless people	0	25,000	(25,000)	0	0
Increasing Surplus Food Redistribution	0	192,126	(129,761)	(62,365)	0
NEET volunteers	0	19,984	(132)	0	19,852
Volunteer co-ordinator	0	5,000	(5,000)	0	0
Totals	370,323	649,493	(656,669)	(85,313)	277,834

The transfer between funds amount of £310,822 represents the value of donations to the charity restricted to the purchase of capital assets and that during March 2020 the charity was notified that the funds represented by Central London Operations and NEET volunteers were unrestricted by the donors. This has aided the charity's response to the COVID19 health crisis by allowing the charity to spend the funds on the areas of greatest need.

Once capital assets are purchased the restriction has been complied with, resulting in a transfer of the value of the assets purchased from restricted to unrestricted. Depreciation in the year of purchase and future years is charged to unrestricted expenditure.

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18 Designated funds

	Balance at 1 January 2019	Utilised	Un- designated	New designation	Balance at 1 January 2020
Growth plans	925,000	0	0	2,127,320	3,052,320
Investments	0	0	0	2,201,379	2,201,379
Fixed assets	0	0	0	684,482	684,482
Totals	<u>925,000</u>	<u>0</u>	<u>0</u>	<u>5,013,181</u>	<u>5,938,181</u>

Given that significant growth is planned over the three years to 2023, the Trustees have chosen to designate funds to ensure that the charity's planned growth is sustainable and responsibly funded from the outset.

Designated "Growth plans" funds at 31 December 2019 included the planned opening of a new East London depot operation in 2020 now scheduled for Spring 2021.

In addition to significant growth in activity, the Charity's plans require investments including development of Information Technology, development of the Charity's other infrastructure and capability, and other projects focussed on innovation and understanding and enhancing the Charity's impact in the area of food rescue and redistribution. Funds designated under the "Investments" heading cover these amounts.

The Trustees have included the Charity's fixed assets as designated funds.

19 Analysis of net assets between funds

	Unrestricted funds 2020	Restricted funds 2020	Total 2020
	£	£	£
Fund balances at 31 December 2020 are represented by:			
Intangible fixed assets	155,999	0	155,999
Tangible fixed assets	528,483	0	528,483
Net current assets/(liabilities)	10,222,015	677,633	10,899,648
Creditors amounts falling due after more than one year	(75,000)	0	(75,000)
Provision for other liabilities	<u>(225,000)</u>	<u>0</u>	<u>(225,000)</u>
	<u>10,606,497</u>	<u>677,633</u>	<u>11,284,130</u>
	Unrestricted funds 2019	Restricted funds 2019	Total 2019
	£	£	£
Fund balances at 31 December 2019 are represented by:			
Tangible assets	300,088	0	300,088
Net current assets/(liabilities)	1,979,127	277,834	2,256,961
	<u>2,279,215</u>	<u>277,834</u>	<u>2,557,049</u>

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20 Operating lease commitments

At the reporting date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020	2019
	£	£
Within one year	289,186	165,539
Between two and five years	620,375	431,202
In over five years	153,902	209,031
	<u>1,063,463</u>	<u>805,772</u>

21 Related party transactions

One trustee, David Hudd, provided pro bono legal advice to the Charity during 2020 valued at £50,000.

22 Analysis of changes in net debt

	Cash and Cash Equivalents	Finance Leases	Total
Net (Debt) as at 31 December 2019	1,544,511	0	1,544,511
Cash flows	8,663,867	0	8,663,867
Finance lease transfer in (note 12)	0	(96,558)	(96,558)
Lease principle falling due	0	3,027	3,027
	<u>10,208,378</u>	<u>(93,531)</u>	<u>10,114,847</u>
Net (debt) as at 31 December 2020			

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Appendix A: Partner Acknowledgement

Our progress in fighting food poverty would not have been possible without the support of all our contributors and donors. We would like to say thank you to all of our partners including:

Accenture	IG Group
Adam Handling Restaurant Group	ING
Amazon	Innocent
Antony Gormley	Islamic Relief Fund
Avanade	Julius Baer
Bacchus	Kerry Group
Barclays Bank Plc	Lansdowne Partners (UK) LLP
Beat Concepts	Langridge Organic
Ben Elliot	LetterOne
Bestway, Booker HQ	Lexington Partners
Bridgepoint	LIDL
Burberry	Little Freddie
Caring Foundation	Lombard Odier Foundation
Citibank	Marks & Spencer
CostCo	McKinsey & Co
Damien Hirst	Microsoft
Daylesford Foundation	Mindful Chef
Department for Food and Rural Affairs	Morgan Stanley
Eat Real	Muller
Eranda Rothschild Foundation	Natoora
Evening Standard Dispossessed Fund	Ocado Retail Ltd
FareShare	Oddbox
Farmdrop	Old Possum Practical Trust
Fortnum & Mason	Open Kitchens
Funds4Food	Pret A Manger
Garfield Weston Foundation	Pure
Glinwell plc	RBC Capital Market
Hello Fresh	Reach Food Service
Hipp UK Ltd	Renault
Hiscox	Reynolds
Hogan Lovells	RWC Partners Limited
Hope Engineering	Sainsbury's

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Appendix A: Partner Acknowledgement

Scheinberg Relief Fund	The Julia and Hans Rausing Trust
Segro	The Independent
Simon Temple	The Quintessentially Foundation
Sir Peter Blake	The Sobell Foundation
Sotheby's	The Thompson Family Charitable Trust
StreetSmart	The Westminster Foundation
Temasek International	Travers Smith
Tesco PLC	Tyrells
The 29th May 1961 Charitable Trust	UBS
The Band Trust	Waitrose
The Celtic Bakers	Warburtons
The Country Food Trust	Waste & Resources Action Programme
The Evening Standard	Watts Farm
The Foux Foundation	With Compassion
The Gosling Foundation	XPO