

FABRIC Foundation Ltd
(A company limited by guarantee)

Report and Financial Statements
For the Year Ended 31 January 2022

Charity number 1168833

Company number 09390907

FABRIC Foundation Ltd

(A company limited by guarantee)

Financial Statements

For the Year Ended 31 January 2022

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FABRIC. Foundation Ltd

Report of the Management Committee for the year ended 31 January
2022

Reference and Administrative Information

Charity Name: FABRIC Foundation Ltd

Charity registration number:

1168833

Company registration number: 09390907

Registered Office:

Trustees

Angharad Bridget Coleman

Maria Patricia Bradley

Julia Perry

Luke Spikes

Jamie Harris

Accountants

Gower Accounting Services

1 Beattie Street

Cwmdu

Swansea

Bankers

Fabric Foundation Limited

Natwest Bank

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

Reference and administrative information set out on page 2 forms part of this report. The financial statements comply with the current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and

Reporting by Charities.

Structure, Governance and Management

The organisation is a Community Interest Company limited by guarantee, incorporated on 15 January 2015, and registered as a charity on 19 August 2016.

Governing document

The company was established under a Memorandum of Association (amended 20 May 2016) which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £2.

Recruitment and appointment of trustees, induction and training. The trustees carry out a skills audit prior to recruiting new trustees.

Role descriptions and job specifications are drawn up and a search programme undertaken. All new trustees are required to accept the organisation's code of conduct that contains details of the number of board meetings and the number of projects they are required to attend throughout the year.

In addition a structured induction programme has been devised to enable trustees to more quickly understand the structure and culture of the organisation. Further training for trustees is to be considered following enlargement of the trustee body and a trustee training needs analysis.

Organisational structure

The trustees are responsible for the overall management of the charity, its strategic direction and decision making. However, day-to-day management of treatment, non-treatment services and business services is delegated to the Chief Executive and senior management team.

Risk assessment and management

The trustees have overall responsibility for ensuring that the charity has appropriate systems of control; both financial and operational; for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity; for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities. The systems of internal control are designed to provide reasonable assurance that:

The charity is operating efficiently and effectively in the pursuit of its objectives;

- Funds are applied in accordance with the intentions of the funder;
- Its assets are safeguarded against unauthorised use or disposition;
- Proper records are maintained and financial information used within the charity or for publication is reliable;
- The charity complies with relevant laws and regulations.

They are also designed to provide reasonable, but not absolute assurance against material misstatement or loss.

Aims

Our charity's aims as set out in the objects contained in the company's memorandum of

Association are to:

'advance in life and relieve needs of young people across South and West Wales through

(a) The provision of semi-independent living with 24-hour support/or 16-17 year old looked after children and care leavers

(b) Provide support and activities which develop their skills, capacities and capabilities to enable them to participate in society as mature responsible individuals.'

A selection of fundraising activities that were undertaken in 2021-22:

Activities

- World Earth Day: the FABRIC kids and Team FABRIC went litter picking down Swansea Bay



- FABRIC's 5th Birthday – The FABRIC kids had a birthday celebration at the homes.



- Healthy Eating Week – we provided food parcels that contained a sweet potato curry and the kids followed the recipe and cooked it.



- The kids saw their results of growing their own strawberries in the garden.



- Pumpkin picking at Gower Farm.



- We stocked up on our Food Bank to fill our food bank cupboard.



- Our kids went to Winter Wonderland and to the Swansea Christmas Parade.



Statement of responsibilities of the trustees

The trustees are required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the group and charity and the incoming resources and application of resources, including the net income or expenditure, of the charity for the year. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 proper accounting records which 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 and the Charity (Accounts and Records) Regulations. They are responsible for safeguarding the assets of the Charity and take reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees on 25/08/22 and signed on its behalf by

At date of accounts submission Harri Helvon-Hardy is the correct legal name however previously in the accounts name would have been Angharad Bridget Coleman which was the legal name of chairperson/trustee in the year these accounts relate to. Harri/Angharad are the same person- name changed legally. Details changed on Companies House 13/04/2022

Harri Helvon-Hardy
- Chairperson

A handwritten signature in black ink, reading 'H. Helvon-Hardy', written over a light blue horizontal line.

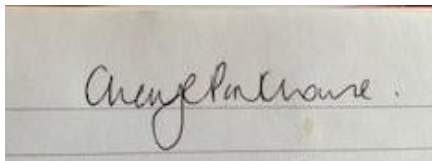
Report of the Accountants to the directors of Fabric Foundation Ltd

As described on the Balance Sheet you are responsible for the preparation of the financial statements for the year ended 31 January 2022 set out on pages eight to thirteen and you consider that the company is exempt from an audit.

In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

Cheryl Parkhouse ACA

Gower Accounting Services
1 Beattie Street
Cwmdu
Swansea
SA5 8HF

A photograph of a handwritten signature in cursive script, which reads "Cheryl Parkhouse". The signature is written on a light-colored, possibly lined, piece of paper.

Fabric Foundation Limited

Statement of Financial Activities (including Income & Expenditure Account) for the year ended 31 January 2022

		Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
Incoming Resources	Notes				
Incoming resources from generated funds:					
Donations and legacies		5,432	-	5,432	4,124
Charitable activities		90,307	-	90,307	21,375
Other trading activities		-	-	0	-
Investments		0	-	0	0
Other income	4	18,000	-	18,000	18,000
Reversal of impairment of tangible fixed asset		-	-	0	-
Total incoming resources		113,739		113,739	43,499
Resources expended					
Charitable Activities		111,781	-	111,781	39,122
Other material costs				-	-
Total resources expended	5	111,781		111,781	39,122
Net movement in funds		1,958		1,958	4,377
Reconciliation of funds					
Total Funds brought forward		(31,793)		(31,793)	(36,170)
Total funds carried forward		(29,835)		(33,751)	(31,793)

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

Fabric Foundation Limited

Balance Sheet as at 31 January 2022

	Notes	2022 £	2021 £
Fixed Assets			
Tangible Assets	9	<u>235,128</u>	<u>235,128</u>
		<u>235,128</u>	<u>235,128</u>
Current Assets			
Debtors	10	6,762	3,703
Cash at bank and in hand		<u>38,845</u>	<u>38,592</u>
	11	<u>45,607</u>	<u>42,295</u>
Creditors: falling due within one year		<u>-15,411</u>	<u>-12,732</u>
		30,196	29,563
Net Current Assets/(Liabilities)		<u>265,324</u>	<u>264,691</u>
Creditors: Amounts due after more than one year	12	-295,159	-296,484
Provision for liabilities and charges		-	-
Net Assets/ (Liabilities)	13	<u>-29,835</u>	<u>-31,793</u>
Funds			
Unrestricted Funds		-29,835	-31,793
Restricted Funds		-	-
General Funds		<u>-29,835</u>	<u>-31,793</u>
Total Funds	14	<u>-29,835</u>	<u>-31,793</u>
		0	

For the financial year ending 31st January 2022 the company is entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small businesses. No trustees have required the company to obtain an audit of its accounts for the year ending 31st January 2021 in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

These financial statements were approved by the Management Committee and authorised for Issue on 4/10/22 and signed on its behalf by :

Harri Helvon-Hardy



At date of accounts submission Harri Helvon-Hardy is the correct legal name however previously in the accounts name would have been Angharad Bridget Coleman which was the legal name of chairperson/trustee in the year these accounts relate to. Harri/Angharad are the same person- name changed legally. Details changed on Companies House 13/04/2022

Notes to of the Financial Statements for the year ended 31 January 2022

1. Basis of preparation

1.1 Basis of accounting

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts.

The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014

And with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102)

And with the Charities Act 2011.

2. Accounting Policies

2.1 Income

Recognition of income. These are included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to the resources.

Grants and Donations. Grants and donations are only included in the S-FA when the general income recognition criteria are met. (5.10 to 5.12 FRS 102 SORP)

2.2 Expenditure and liabilities

Liability recognition. Liabilities are recognised when it is more likely than not that there is a legal or constructing obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

Grants with performance conditions
Grants without performance conditions

2.3 Assets

Tangible fixed assets for use by the charity. They are capitalised if they can be used for more than one year. They are disclosed at cost less accumulated depreciation.

Freehold property. Freehold property is revalued when there is a material difference between the carrying value and readily ascertainable market value. When property is revalued downward, the loss is written off reserves.

Repairs, maintenance and inspection costs are expenses as incurred.

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful economic lives.

Freehold land and buildings	Not provided
Vehicles & equipment	Straight line over 3 years and 10 years.

Debtors are measured on initial recognition at settlement amount.

Fabric Foundation Limited

3. Employees and Directors

The average number of employees during the year was 3 (2021 nil)

4. Other income

	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Rents received	18,000	-	18,000	18,000
Donations received	5,432	-	5,432	4,124
Other income	0	-	0	0
Charitable activities - grants	90,307	-	90,307	21,375
Reversal of impairment of tangible fixed assets	-	-	-	-
	113,739	-	113,739	43,499

5. Total resources expended

	2022 Total £	2021 Total £
Administration support costs	111,781	39,192
Total resources expended	111,781	39,192

6. Net Incoming Resources for the Year

	2022 Total £	2021 Total £
Depreciation	5399	6098
Accountancy Services	1148	2360

Fabric Foundation Limited

7. Trustee Remuneration & Related Party Transactions

No trustee received any remuneration or expenses during the year.

Ms Coleman is the chair of trustees and the Director of FABRIC Support Services. The link between the two companies is noted by the board of trustees. Whilst there is an undeniable link between the decisions that are made in both companies are separate and in the best interests of the company in question. In this case, the FABRIC Foundation. There is an intrinsic link between the two companies as they both form the group "FABRIC: The Care leavers' Community". whilst the board moves towards a position where she can step away. Ms Coleman donates her time to run the FABRIC Foundation as it is not yet in a position where it can employ staff. The intention with the charity is to move to a position where Ms Coleman is not the Chair of the Board however at present it is felt by all the other trustees that it is in the best interests of the FABRIC Foundation for Ms Coleman to continue as chair. FABRIC Support Services provides the FABRIC Foundation with access to their staff (as the FABRIC Kids have relationships with them) at a cost effective price and some staff have been recruited using grant funding during 21-22 to work on grant applications and provide activities and support to the FABRIC kids

8. Taxation

As a charity, the FABRIC Foundation Ltd is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

9. Tangible Fixed Assets

	Freehold Land and Buildings £	Vehicles & Equipment £	Other £	Total £
Cost				
At 1 February 2021	225,000	29,247		254,247
Additions	-	-		-
Revaluation	-	-		-
At 31 January 2022	225,000	29,247		254,247
Accumulated Depreciation				
At 1 February 2021	-	19,119		13,021
Charge for the year	-	5,399		6,098
At 31 January 2022	0	24,518		19,119
Net Book Value				
At 31 January 2022	225,000	4,729		235,128
At 31 January 2021	225,000	22,552		235,128

10. Debtors

	2022 Total £	2021 Total £
Other Debtors	6762	3,703
	6762	3,703

11. Creditors: Amounts Falling Due Within One Year

	2022 Total £	2021 Total £
Bank loans and overdrafts	6,000	6,000
Hire purchase contracts	4,716	4,716
Other creditors	3,672	2,016
Total	14,388	12,732

12. Long Term Loan

	2022 Total £	2021 Total £
Bank and other loans	281,259	282,584
Hire purchase contracts	13,900	13,900
Total	295,159	296,484

13. Analysis of Net Assets Between Funds

	General Funds	Total Funds
General Funds	£ -29,835	£ -29,835
Net Assets at 31 January 2022	-29,835	-29,835

14. Movement in Funds

	At 1 Feb 2021	Incoming Resources	Outgoing Resources	Transfer Between Funds	At 31 January 2022
	£	£	£	£	£
General Funds	-31,793	113,739	-111,781		-29,835

15. Going concern

Financial support was provided by WCVA and Finance Wales to acquire a property, but also to support the purpose of FABRIC Foundation. The loans exceeded the value of property as funds were required to cover start-up costs. This position has always been accepted by the board of trustees,

The Finance Wales loan has been replaced by two lower interest loans from Natwest Bank. During the period, the WCVA loan has been replaced by an interest free Welsh Government loan. The charity is aiming to replace the bank loan with a loan on more favourable terms.

The Trustees are confident that the charity is able to meet all its financial commitment as they fall due.

Detailed Statement of Financial Activities (including Income & Expenditure Account) for the Year ending 31st January 2022					
		2022		2021	
		Total		Total	
		£		£	
Income					
Other Income					
Rents received		18,000		18,000	
Donations		5,432		4,124	
Other income		90,307		21,375	
		<u>113,739</u>		<u>43,499</u>	
Expenditure					
Insurance		189		-	
Rent		4,546			
Staff Wages		36,196			
Office Costs		6,954			
Repairs to property		0		-	
Advertising		433		-	
Motor & travelling		9,248		3,932	
YP Service		21,699		16,171	
YP gym membership		4,550		-	
YP additional activities		8,802		4,056	
Computer costs		1,354		-	
Sundry expenses		593		410	
Staff training				396	
Accountancy		1,148		2,360	
Depreciation of tangible fixed assets					
	Fixtures and fittings	-		-	
	Motor vehicles	5,399		5,399	
	Computer equipment			699	
		<u>101,111</u>		<u>33,423</u>	
Finance Costs				-	
Bank Charges		-		0	
Bank loan interest		10,670		5,699	
Hire purchase		-		-	
		<u>10,670</u>		<u>5,699</u>	
NET SURPLUS/(DEFICIT) FOR PERIOD		1,958		4,377	