

Report of the Trustees and  
Unaudited Financial Statements for the Year Ended 31 December 2020  
for  
Fat Macy's Foundation

Green Accountancy Limited  
Signal Court  
Old Station Way  
Eynsham  
Witney  
Oxfordshire  
OX29 4TL

Fat Macy's Foundation

Contents of the Financial Statements  
for the Year Ended 31 December 2020

	Page
Report of the Trustees	1 to 5
Independent Examiner's Report	6
Statement of Financial Activities	7
Balance Sheet	8 to 9
Notes to the Financial Statements	10 to 13
Detailed Statement of Financial Activities	14

## Fat Macy's Foundation

### Report of the Trustees for the Year Ended 31 December 2020

The trustees present their report with the financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2019.

#### **Reference and administrative details**

##### **Registered CIO number**

CE011227 (England and Wales)

##### **Registered Charity number**

1173688

##### **Registered office**

40A Carden Road

London

SE15 3UD

##### **Trustees**

S Hoyemsvoll

S L Kerwood

D Jackson

C Attoe

E Mbaraga

M Simpson

I Popat

- appointed 3.5.2021

- appointed 5.2.2020

- appointed 3.5.2021

- appointed 5.2.2020

##### **Independent examiner**

David Wilsdon FCCA

Association of Chartered Certified Accountants

Green Accountancy Limited

Signal Court

Old Station Way

Eynsham

Witney

Oxfordshire

OX29 4TL

#### **Structure, governance and management**

##### **Governing document**

Fat Macy's Foundation is a Charitable Incorporated Organisation (CIO) registered with the Charity Commission. The governing document is a Constitution dated 5th July 2017. The Fat Macy's Foundation registered with the Charity Commission on 5th July 2017.

These financial statements cover the year from 1st January 2020 to 31st December 2020.

##### **Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

## **Structure, governance and management**

The Fat Macy's Foundation works in partnership with Fat Macy's Ltd.

The Fat Macy's Foundation runs the Fat Macy's Training Academy in hostels, which provides training opportunities for young people living in hostel accommodation. People who complete this programme are recommended to Fat Macy's Ltd to begin the Milestone Programme, to gain real life experience. This Milestone Programme is a combination of work experience, employability support, 1-1 support and small grants to cover necessary items, to ensure that trainees are in a much better position to access the work and housing markets at the end of their traineeship.

Fat Macy's Ltd donates a percentage of all profits to the Fat Macy's Foundation. This amount is used by the Fat Macy's Foundation as a grant and housing deposit fund. We provide small grants to trainees to secure a housing deposit, forms of photo identification and birth certificates, and clothing and travel vouchers. We are in the process of ensuring the Fat Macy's Foundation has a golden share in Fat Macy's Limited, to ensure we are transparent with our business and charitable works.

Fat Macy's Ltd is a social business and as such, its social mission is integral to its operations. There is no personal benefit to the directors of Fat Macy's Ltd in using trainees. The trainees are the target group that Fat Macy's Ltd seeks to help through training, work experience and access to grants. Fat Macy's Ltd has its social mission written into its governing documents.

The trustees of the Fat Macy's Foundation have regular contact with the directors of Fat Macy's Ltd to ensure their work is aligned. The trustees are independent, separate from Fat Macy's Ltd and are free to make their own decisions on all matters outside the scope of the arrangements with Fat Macy's Ltd.

The board of trustees is responsible for overseeing all aspects of governance and risk. Strategy is led by the board of trustees, working closely with the staff team. The staff team, comprising Meg Doherty (Founder and Chief Executive) and three other part-time staff, is responsible for the implementation of the strategy and day-to-day operations of the charity. Trustees are appointed by a resolution passed at a meeting of the charity trustees. In selecting new trustees, the trustees consider the skills, knowledge and experience needed for the effective running of the charity. Prior to appointment, new trustees are provided with a copy of the Constitution and policies and procedures, together with the most up-to-date business plan and financial statements and forecasts.

## **Objectives and activities**

The Fat Macy's Foundation is a grant giving charity which works with Londoners living in temporary and hostel accommodation. It provides training and awards grants to cover housing deposits for those experiencing homelessness. The Fat Macy's Foundation provides in-hostel catering training whereby it trains participants in catering, hospitality and food hygiene.

The Fat Macy's Foundation exists to work for the relief of poverty, in particular of those currently living in temporary accommodation, homeless hostels and housing associations by the provision of practical advice, catering training, emotional wellbeing support and grant funding for housing deposits.

## **Objectives and activities (continued)**

### **Significant activities**

#### **Training Academy**

The Fat Macy's Training Academies act as a trainee recruitment funnel. They begin with an Assessment Day, in which prospective trainees are introduced to Fat Macy's and participate in confidence-building exercises, designed to identify their personal strengths. We cook together and trainees are taught basic food preparation skills. The day culminates in participants taking their Level Two Food Hygiene Qualification.

Those who complete the Assessment Day and pass their Level Two Food Hygiene Qualification are invited to the next two days of our Training Academy, where they complete a two day practical skills based training programme covering everything from food hygiene, knife skills, barista training, confidence building to exploring our Middle Eastern menu. These sessions are led by our Fat Macy's Ltd team in collaboration with our charity.

After this we offer trainees to participate in our Trainee Takeover, where trainees put their skills into action and learn the ropes by spending the day in our restaurant, preparing food in our kitchen and serving customers.

Those who complete a Trainee Takeover are then offered a trial session at the restaurant, before being invited to join the Milestone Programme.

We are set up to run our Training Academies both in hostel kitchens or at our restaurant which is located in Victoria.

#### **Milestone Programme**

The Fat Macy's Milestone Programme is a 200-hour work experience placement at Fat Macy's Ltd. After 200 hours, and providing they meet certain other conditions, Fat Macy's will provide a grant to cover a housing deposit on the trainee's behalf to a private rented landlord.

The Milestone Programme covers a range of on-the-job training opportunities. For some this is serving at our restaurant, for others this could be prepping in our kitchen; either way our aim is to expose them to the full breadth of the hospitality industry.

As trainees complete time-based milestones (at 50, 100, 150 hours) they are eligible for Milestone Rewards - small grants to cover the essentials in their journey to independent living. These can range from photographic identification, a month's travel pass, interview clothing, or a UK passport. They give trainees the tools to open bank accounts and start part-time jobs, and help them towards a secure future.

#### **Support Curriculum**

Alongside the Milestone Programme, trainees receive one-to-one support with our Progression and Engagement Officers, and can participate in tailored sessions from our Support Curriculum.

The Support Curriculum is a bespoke tool which provides a series of resources and focuses on employment, housing and wellbeing. Our tailored support curriculum spans a broad range of help, including benefits claims, job interview preparation and budgeting exercises.

## **Achievement and performance**

### **Charitable activities**

This year has been a difficult year for Fat Macy's, given the effects of the pandemic on our charity and business team.

We started the year strong, hiring a Progression and Engagement Officer to join the team and work with our trainees across a series of events we hosted. We hosted one Training academy in February 2020 at the YMCA North London, with five participants. One joined the Milestone Programme.

By March we were in lockdown and all Training Academies were suspended. Our staff were furloughed from March 2020 to November 2020.

From March we worked with a service designer to reimagine our impact measurement tools and create our support curriculum. Our support curriculum is tailored to each individual trainee, and began being rolled out from November 2020.

We were grateful to receive grant funding from LandAid to set up the Bloom Fund in May 2019. This was an internal fund we created to redirect funding to those who were experiencing the sharp end of the pandemic. We had eight trainees apply, and have been able to financially support trainees by providing rent support, as well as vouchers for food and daily essentials.

Our Development Lead resigned in August, to set up her own social enterprise. We were joined by Felix de Grey as our Strategy Lead from September, as part of the Year Here programme.

We expanded our board in February 2020, welcoming Debbie Jackson, Executive Director at Westminster Council, and Iona Popat, Policy Team Leader at Department for Levelling Up, Housing & Communities. This brings our board to six trustees.

As the pandemic eased towards the end of the year, we were delighted to sign the lease on a new venue, Ebury by Fat Macy's at 43 Ebury Bridge Road. This has been a fantastic asset to both our charity and business, as by opening a permanent venue we were able to restart our Milestone Programme in the lead up to Christmas. It has had a transformative impact on our trainees, and we saw many trainees complete hundreds of hours between October and December 2020.

We received a series of grants to cover running costs and direct payments to trainees during the pandemic. This includes £61,000 from the National Lottery Emergency Funding, £14,400 from the Paul Hamlyn Ideas and Pioneers Fund, and the second £10,000 payment from the William Sutton Prize. We received £35,000 from the Stepping Stones grant for staff salaries. We received an extra £20,000 from the Paul Hamlyn Foundation to assist with COVID-19 costs. We received a further £10,000 from the LandAid Trust.

### **Impact**

Across the year, despite only running one Training Academy and being in lockdown for most of the year, we had one new trainee join the Milestone Programme, and saw three trainees complete their hours to become eligible for a housing deposit. We received a donation of £5,763 from Fat Macy's Ltd for our trainees contribution over the year.

### **Awards/press**

We were delighted to receive the William Sutton Prize for Social Innovation. We have been featured in the Sunday Times, Time Out, Positive News and the Independent.

## Fat Macy's Foundation

### Report of the Trustees for the Year Ended 31 December 2020

#### **Achievement and performance**

##### **Charitable activities**

##### **Next year**

In 2020 we weren't able to host most of our Training Academies due to the pandemic.

In 2021 our focus will be on growing the Training Academy programme to run monthly alongside our team at the Ebury restaurant. We hope to scale to beyond pre-pandemic levels to provide training to over 50 people, and enable at least 25 trainees to begin our Milestone Programme. Our long term aim is to support 20 people per year to get a housing deposit to move out of the hostel and into more permanent accommodation.

Alongside this we will test our support curriculum widely, and ensure we are providing the best support for trainees as they complete the Milestone Programme.

##### **Financial review**

The Fat Macy's Foundation received £181,000 in income during the year 2020 (2019: £92,000), with £156,000 from grants and trusts, £19,000 from furlough grants, and £5,700 from Fat Macy's Ltd.

At year end the Housing Deposit Fund total was £16,000 (2019: £12,000).

Covid-19 had a significant impact on both the charity and our sister social enterprise. We saw most of our events cancelled between March 2020 and August of 2020, which meant we could not run our programme in person, and funding was retained to host Training Academies at a later date when restrictions allowed.

In response to the pandemic, our trainees were the main concern. Fat Macy's Foundation applied to charitable funding from LandAid and Comic Relief, to set up our Bloom Fund.

This was created to ensure trainees could apply for funding to cover the basic essentials, such as rent payments, food vouchers and other necessities.

Total expenditure amounted to £85,000 (2019: £36,000) provisioning a surplus of £95,000 (2019: £56,000) for the period.

Total reserves at 31 December 2020 was £216,761. This includes £16,000 in our Housing Deposit Fund.

The Fat Macy's Foundation is committed to keeping reserves of £18,000 per annum. We will review this figure annually as we grow.

The trustees have set a reserves policy whereby the free reserves (unrestricted funds) held by the Fat Macy's Foundation should be equivalent to three months' staff and operating costs, which equates to £6,000 per month (2019: £18,000).

Approved by order of the board of trustees on ..... 03/11/2021 ..... and signed on its behalf by:

STH

.....  
S Hoyemsvoll - Trustee

Independent Examiner's Report to the Trustees of  
Fat Macy's Foundation

I report to the charity trustees on my examination of the accounts of the Charity for the year ended 31 December 2020.

**Responsibilities and basis of report**

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

Having satisfied myself that the accounts of the Charity are not required to be audited and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

**Independent examiner's statement**

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ACCA which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Charity as required by the 2011 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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

*David Wilsdon*

David Wilsdon FCCA  
Green Accountancy Limited  
Signal Court  
Old Station Way  
Eynsham  
Witney  
Oxfordshire  
OX29 4TL

04/11/2021

Date: .....



Fat Macy's Foundation

Statement of Financial Activities  
for the Year Ended 31 December 2020

			Year Ended 31.12.20	Period 31.5.19 to 31.12.19
	Not es	Unrestricted fund £	Restricted funds £	Total funds £
<b>Incoming resources</b>				
<b>Incoming resources from generated funds</b>				
Voluntary income		175,522	5,764	181,286
<b>Resources expended</b>				
<b>Charitable activities</b>				
Charitable activity		<u>87,118</u>	<u>126</u>	<u>87,244</u>
<b>Net incoming resources</b>		88,404	5,638	94,042
<b>Reconciliation of funds</b>				
<b>Total funds brought forward</b>		<u>110,792</u>	<u>10,786</u>	<u>121,578</u>
<b>Total funds carried forward</b>		<u><u>199,196</u></u>	<u><u>16,424</u></u>	<u><u>215,620</u></u>

The notes form part of these financial statements

Fat Macy's Foundation

Balance Sheet

At 31 December 2020

		Unrestricted fund	Restricted funds	31.12.20 Total funds	31.12.19 Total funds
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	5	7,454	-	7,454	2,919
<b>Current assets</b>					
Debtors	6	1,194	-	1,194	5,000
Cash at bank		<u>193,940</u>	<u>16,424</u>	<u>210,364</u>	<u>115,366</u>
		195,134	16,424	211,558	120,366
<b>Creditors</b>					
Amounts falling due within one year	7	(3,392)	-	(3,392)	(1,707)
<b>Net current assets</b>		<u>191,742</u>	<u>16,424</u>	<u>208,166</u>	<u>118,659</u>
<b>Total assets less current liabilities</b>		<u>199,196</u>	<u>16,424</u>	<u>215,620</u>	<u>121,578</u>
<b>Net assets</b>		<u>199,196</u>	<u>16,424</u>	<u>215,620</u>	<u>121,578</u>
<b>Funds</b>	8				
Unrestricted funds				199,196	110,792
Restricted funds				<u>16,424</u>	<u>10,786</u>
<b>Total funds</b>				<u>215,620</u>	<u>121,578</u>

The notes form part of these financial statements

Fat Macy's Foundation

Balance Sheet - continued

At 31 December 2020

The charity is entitled to exemption from audit for the year ended 31 December 2020.

The trustees have not required the charity to obtain an audit of its financial statements for the year ended 31 December 2020.

The financial statements were approved by the Board of Trustees on ..... 03/11/2021  
and were signed on its behalf by:

STH

.....  
S Hoyemsvoll -Trustee

**1. Accounting policies**

**Basis of preparing the financial statements**

The financial statements of the Charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

**Incoming resources**

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

**Resources expended**

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer and office equipment - 25% straight line basis

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**Pension costs and other post-retirement benefits**

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020

**1. Accounting policies - continued**

**Debtors**

Debtors are recognised at their settlement amount, less any provisions for non-recoverability. Prepayment are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

**Cash at bank and in hand**

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisitions.

**Creditors and provisions**

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

**2. Net incoming/(outgoing) resources**

Net resources are stated after charging/(crediting):

	Year Ended 31.12.20 £	Period 31.5.19 to 31.12.19 £
Depreciation - owned assets	2,485	-
Other pension costs	<u>848</u>	<u>144</u>

**3. Trustees' remuneration and benefits**

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the period ended 31 December 2019.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 December 2020 nor for the period ended 31 December 2019.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020

**4. Staff costs**

	Year Ended 31.12.20 £	Period 31.5.19 to 31.12.19 £
Wages and salaries	51,396	16,340
Social security costs	2,582	565
Other pension costs	848	144
	<u>54,826</u>	<u>17,049</u>

The average monthly number of employees during the year was as follows:

	Year Ended 31.12.20	Period 31.5.19 to 31.12.19
Charity staff	<u>4</u>	<u>4</u>

No employees received emoluments in excess of £60,000.

**5. Tangible fixed assets**

	Plant and machinery etc £
<b>Cost</b>	
At 1 January 2020	2,919
Additions	<u>7,020</u>
At 31 December 2020	<u>9,939</u>
<b>Depreciation</b>	
Charge for year	<u>2,485</u>
<b>Net book value</b>	
At 31 December 2020	<u>7,454</u>
At 31 December 2019	<u>2,919</u>

**6. Debtors: amounts falling due within one year**

	31.12.20 £	31.12.19 £
Other debtors	<u>1,194</u>	<u>5,000</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2020

7. Creditors: amounts falling due within one year

	31.12.20 £	31.12.19 £
Taxation and social security	2,252	1,707
Other creditors	<u>1,140</u>	<u>-</u>
	<u>3,392</u>	<u>1,707</u>

8. Movement in funds

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
<b>Unrestricted funds</b>			
General fund	110,792	88,404	199,196
<b>Restricted funds</b>			
Housing Deposit Fund	<u>10,786</u>	<u>5,638</u>	<u>16,424</u>
<b>TOTAL FUNDS</b>	<u>121,578</u>	<u>94,042</u>	<u>215,620</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	175,522	(87,118)	88,404
<b>Restricted funds</b>			
Housing Deposit Fund	<u>5,764</u>	<u>(126)</u>	<u>5,638</u>
<b>TOTAL FUNDS</b>	<u>181,286</u>	<u>(87,244)</u>	<u>94,042</u>

Fat Macy's Foundation

Detailed Statement of Financial Activities  
for the Year Ended 31 December 2020

	Year Ended 31.12.20 £	Period 31.5.19 to 31.12.19 £
<b>Incoming resources</b>		
<b>Voluntary income</b>		
Gifts	1	-
Grants	175,449	21,087
Training Academy	-	2,200
Fat Macy's Ltd for Spacehive	-	5,390
Interest received	72	136
Fat Macy's Ltd for deposits	<u>5,764</u>	<u>4,029</u>
	<u>181,286</u>	<u>32,842</u>
<b>Total incoming resources</b>	181,286	32,842
<b>Resources expended</b>		
<b>Support costs</b>		
<b>Charitable activities</b>		
Wages	51,396	16,340
Social security	2,582	565
Pensions	848	144
Accountancy fees	1,320	105
Operational expense	193	670
Consulting	16,413	3,805
General Expenses	1,368	974
IT Software and Consumables	-	259
Staff Training	395	270
Telephone & Internet	874	97
Travel	961	394
Direct expenses	420	595
Depreciation	2,485	-
Bloom Fund	5,225	-
Printing & Stationery	1,022	-
Rent	708	-
Subcontractors	<u>1,034</u>	<u>-</u>
	<u>87,244</u>	<u>24,218</u>
<b>Total resources expended</b>	87,244	24,218
	<u>          </u>	<u>          </u>
<b>Net income</b>	<u><u>94,042</u></u>	<u><u>8,624</u></u>

This page does not form part of the statutory financial statements