

REGISTERED CHARITY NUMBER: 1178465

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 March 2023
for
The Favela Foundation

The Favela Foundation

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for the Year Ended 31 March 2023

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The Favela Foundation

Report of the Trustees for the Year Ended 31 March 2023

The trustees present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity was formed to further the advancement of education and social welfare for the public benefit in the communities of the favelas of Brazil.

The charity aims to meet this objective by providing grants to NGOs and community groups active in favelas which provide supplementary education, social support and other community activities to help them meet specific goals or widen their reach.

ACHIEVEMENT AND PERFORMANCE

In the year ending 31 March 2023, The Favela Foundation was able to return its focus to educational and social welfare projects, with reduced demand for COVID-19 support measures for our projects and partners. The Favela Foundation continued to offer support to local NGOs who provide education and community support to favela residents and was delighted to be able to contribute towards the purchase of a building for one of our long-term partners, Vivencia das Manas, ensuring that the organisation will now have a dedicated, appropriate space for its activities.

The Favela Foundation was delighted to continue its relationship with Glastonbury festival, sending a team of volunteers for the third consecutive festival. The donations received from our team of volunteers were a critical source of funding in 2022-23.

During the period in review, the charity:

- Began to deliver on its strategy of supporting 'space and time' for partners, working with existing partners to identify needs in this area.
- Delivered its first grant under this strategy, donating almost £15,000 to Vivencia das Manas to support with the purchase of a dedicated building for the project, with an agreement that the project will remain in place for a minimum of 15 years.
- Continued its relationship with Glastonbury Festival, sending a team of 16 volunteers to the festival as part of the recycling crew for the third consecutive festival, raising over £2,300.
- Engaged with a number of existing partners to develop 'space and time' initiatives for future funding, working with them to identify locations that ensure the future of the projects, and supporting leaders deliver these in a sustainable way.

FINANCIAL REVIEW

During the period in review, The Favela Foundation saw a reduction in total income, largely due to reduced fundraising activity during the period. The charity focused on utilising its existing reserves to deliver its strategy.

The trustees' policy to maintain unrestricted reserves at a reasonable level to fulfil the objectives of the charity remains in place, and the final position is reviewed regularly at meetings. The total funds of the charity as at the balance sheet date were £31,609, with £6,020 remaining restricted.

The Favela Foundation

Report of the Trustees
for the Year Ended 31 March 2023

FUTURE PLANS

2024 Proposal:

The charity has been working closely with its project partners throughout 2022-23 to support them in returning to their core objectives and goals and identifying ways to ensure the sustainability of projects.

The charity aims to continue supporting existing projects, while expanding to reach new beneficiaries and partners where possible. The Favela Foundation continues to aim to diversify its funding methods, with securing grants, regular donors, and corporate partnerships a focus for 2023-24. The Favela Foundation continues to plan to drive large scale initiatives with our partners, with the aim of creating 'space and time' for our project partners to work with their beneficiaries. These initiatives will have focused fundraising activities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is governed by the CIO Foundation Deed dated 21 May 2018. The charity obtained charitable status on 21 May 2018.

The first trustees are appointed for a 4 year term, thereafter trustees will be appointed for a 3 year term.

Appointments are passed by the charity trustees.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1178465

Principal address

137 Martin Way
Morden
SM4 4AR

Trustees

K G Gupta Trustee
P A Somerset Gibbs Chair
M J Smith Trustee
Ms F D Cintra Franco Trustee

20 January 2024

Approved by order of the board of trustees on and signed on its behalf by:



.....
M J Smith - Trustee

Independent Examiner's Report to the Trustees of
The Favela Foundation

Independent examiner's report to the trustees of The Favela Foundation

I report to the charity trustees on my examination of the accounts of The Favela Foundation (the Trust) for the year ended 31 March 2023.

Responsibilities and basis of report

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

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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



Sajjad Jaffer
ACCA

Date: 22/01/2024

The Favela Foundation

Statement of Financial Activities
for the Year Ended 31 March 2023

	Notes	Unrestricted funds £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		2,306	10,780	13,086	15,264
Charitable activities					
Grants		-	-	-	11,430
Total		2,306	10,780	13,086	26,694
EXPENDITURE ON					
Charitable activities					
Expenditure on charitable activities		12,419	11,953	24,372	16,971
NET INCOME/(EXPENDITURE)		(10,113)	(1,173)	(11,286)	9,723
RECONCILIATION OF FUNDS					
Total funds brought forward		35,702	7,193	42,895	33,172
TOTAL FUNDS CARRIED FORWARD		<u>25,589</u>	<u>6,020</u>	<u>31,609</u>	<u>42,895</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The Favela Foundation

Balance Sheet
31 March 2023

	Notes	Unrestricted funds £	Restricted funds £	31.3.23 Total funds £	31.3.22 Total funds £
CURRENT ASSETS					
Cash at bank		25,589	6,020	31,609	42,895
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
NET CURRENT ASSETS		<u>25,589</u>	<u>6,020</u>	<u>31,609</u>	<u>42,895</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		25,589	6,020	31,609	42,895
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
NET ASSETS		<u>25,589</u>	<u>6,020</u>	<u>31,609</u>	<u>42,895</u>
FUNDS	4				
Unrestricted funds				25,589	35,702
Restricted funds				<u>6,020</u>	<u>7,193</u>
TOTAL FUNDS				<u>31,609</u>	<u>42,895</u>

The financial statements were approved by the Board of Trustees and authorised for issue on
20 January 2024..... and were signed on its behalf by:



.....
M J Smith - Trustee

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The charity is a Charitable Incorporated Organisation registered in England. The accounts have been prepared on a receipts and payments basis in accordance with section 133 of the Charity Act 2011.

The address of the principal office is given in the charity information on page 2 of these accounts. The nature of the charity's operations and principal activities are as set out in the Trustees' Annual Report of the accounts.

The accounts are presented in sterling which is the functional currency of the charity and are not rounded.

The significant accounting policies applied in the preparation of these accounts are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Critical accounting judgements and key sources of estimation uncertainty

No judgements have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the accounts.

No key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Taxation

As a registered charity, the organisation is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Value Added Tax is not recoverable by the charity and is therefore included in the relevant costs within the receipts and payments accounts.

Structure of funds

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.

Management and administration expenditure

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. These are incurred directly in support of expenditure on the objectives of the charity.

There were no management and administration costs in the current year or previous period.

2. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

3. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	11,854	3,410	15,264
Charitable activities			
Grants	6,355	5,075	11,430
	<hr/>	<hr/>	<hr/>
Total	18,209	8,485	26,694
EXPENDITURE ON			
Charitable activities			
Expenditure on charitable activities	10,364	6,607	16,971
	<hr/>	<hr/>	<hr/>
NET INCOME	7,845	1,878	9,723
RECONCILIATION OF FUNDS			
Total funds brought forward	27,857	5,315	33,172
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD	<u>35,702</u>	<u>7,193</u>	<u>42,895</u>

The Favela Foundation

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

4. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
Charitable activities	35,702	(10,113)	25,589
Restricted funds			
Charitable activities	7,193	(1,173)	6,020
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>42,895</u>	<u>(11,286)</u>	<u>31,609</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Charitable activities	2,306	(12,419)	(10,113)
Restricted funds			
Charitable activities	10,780	(11,953)	(1,173)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>13,086</u>	<u>(24,372)</u>	<u>(11,286)</u>

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
Charitable activities	27,857	7,845	35,702
Restricted funds			
Charitable activities	5,315	1,878	7,193
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>33,172</u>	<u>9,723</u>	<u>42,895</u>

4. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
Charitable activities	18,209	(10,364)	7,845
Restricted funds			
Charitable activities	8,485	(6,607)	1,878
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>26,694</u>	<u>(16,971)</u>	<u>9,723</u>

5. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2023.

The Favela Foundation

Detailed Statement of Financial Activities
for the Year Ended 31 March 2023

	31.3.23 £	31.3.22 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	13,086	11,446
Charitable activities	<u>-</u>	<u>3,818</u>
	13,086	15,264
Charitable activities		
Grants	<u>-</u>	<u>11,430</u>
Total incoming resources	13,086	26,694
EXPENDITURE		
Charitable activities		
Expenditure on charitable activities	24,122	16,645
Advertising	<u>250</u>	<u>326</u>
	<u>24,372</u>	<u>16,971</u>
Total resources expended	<u>24,372</u>	<u>16,971</u>
Net (expenditure)/income	<u>(11,286)</u>	<u>9,723</u>