

THE FELLOWSHIP OF FAITHS FOR ONE RACE TRUST
REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020

Charity No. 1179855

**THE FELLOWSHIP OF FAITHS FOR ONE RACE TRUST
FOR THE PERIOD ENDED 31 DECEMBER 2020**

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THE FELLOWSHIP OF FAITHS FOR ONE RACE TRUST FOR THE PERIOD ENDED 31 DECEMBER 2020

TRUSTEES' ANNUAL REPORT

The trustees present their annual report and audited financial statements for the period ended 31 December 2020. The financial statements comply with current statutory requirements, the charity's trust deed and the Statement of Recommended Practice - Accounting and Reporting by Charities SORP (FRS102) and have been prepared in accordance with the accounting policies set out in note 1 to the accounts.

Trustees

The trustees in the period were:

Clifford Card
Ann Loughney
Bal Saini (Chair)

There is a minimum of three and a maximum of five trustees.

Principal office

The Warehouse
54 - 57 Allison Street
Birmingham
B5 5TH

Advisers

Investment Managers

Quilter Cheviot
Senator House
85 Queen Victoria St
London
EC4V 4AB

Auditors

Myrus Smith
Norman House
8 Burnell Road
Sutton
Surrey SM1 4BW

Bankers

Lloyds Bank (Chesham Branch)
PO Box 1000
Andover
BX1 1LT
UK

Solicitors

Weightmans
100 Old Hall St
Liverpool
L3 9QJ

THE FELLOWSHIP OF FAITHS FOR ONE RACE TRUST
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TRUSTEES' ANNUAL REPORT - continued

Report of the Trustees for the period ended 31 December 2020

After gaining charitable incorporated organisation (CIO) status during 2019 our broad plan for 2020 was to reach more people and develop our service. However, suddenly in March everything changed significantly as the Covid-19 pandemic took hold and 2020 was a year of challenges. Something for which being a small charity we were unprepared and ill-equipped. Despite a tumultuous year, like many small charities we have weathered the initial shock of the pandemic. So far, with the pandemic far from over it is estimated that over 140,000 people have died from Covid-19 across the UK and 9 in 10 of those who died were over the age of 65. The 2020 pandemic has been catastrophic for older people most of whom will have died without seeing their family again.

With most of our beneficiaries self-isolating from mid-March onwards, this naturally triggered an immediate re-think of the way we could continue to meet their needs. The pandemic has heightened the need for support for these individuals such as mental and emotional health support. Men and people from Black and Asian communities have been worst hit. Over, the last 20 years, the number of older people who live alone has increased to nearly 4 million. So many people are living longer lives that just aren't healthy or happy enough, with loneliness being a major cause of unhappiness.

When the Government introduced the first lockdown on 23 March 2020, we had to stop our face-to-face activities as majority of our beneficiaries are older people and were in the most vulnerable group. As they also had underlying health conditions, they started to be extra-cautious to such an extent that they totally isolated themselves and rarely ventured outside their home or kept contact to a minimum in fear of contracting the Covid-19 virus. We kept in touch with our beneficiaries mainly by telephone. Digital communication by email or social media has not been possible as our beneficiaries are older people and lack digital literacy. To a limited amount we have also kept in touch by letter-writing as well as face-to-face when social distancing has been possible. We have been able to chat and seek out their views about what is happening in their lives and to seek out their views as the way forward for older people with the relaxation of the lockdown whenever that is possible. Focus of our consultations was to ask our beneficiaries what as a charity we could do to meet their needs going forward when the lockdown rules are relaxed. We also consulted with voluntary sector councils in Birmingham and Wolverhampton as well as seeking legal advice to change our charitable objects. For which the starting point was the beneficiaries the charity were working with, whose needs changed.

Going forward we would like to change the current charitable objectives to meet the changing needs of our beneficiaries, especially those living on their own. As they live on their own their loneliness and isolation has been exacerbated alarmingly during the pandemic. We would like to respond to their needs using the Trust's resources to collaborate and form partnerships with other charities working towards racial harmony. One way would be to set up a small grants scheme to collaborate and build partnerships with charities or organisations working to prevent loneliness and isolation amongst older people in Birmingham and surrounding areas.

THE FELLOWSHIP OF FAITHS FOR ONE RACE TRUST

FOR THE PERIOD ENDED 31 DECEMBER 2020

TRUSTEES' ANNUAL REPORT – continued

Objectives and activities for the public benefit

The object of the charity is, for the public benefit, to promote racial harmony in Birmingham for the benefit of the public in particular but not limited to:

- (1) Supporting, co-ordinating and giving information to minority ethnic groups and organisations in Birmingham, including the production of a newsletter;
- (2) Providing opportunities for individuals to learn about other faiths, through visits to places of worship and'
- (3) Providing or assisting in the provision of facilities in the interest of social welfare for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.

The trustees confirm that they have referred to the guidance contained in the Charity Commissions' general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities.

Organisational structure

The trustees meet two times a year in May and November and give detailed consideration to monitoring the progress of the Charity in achieving its performance and quality objectives. This includes reporting on returns from investments as well as the identification and management of risk. All trustees give of their time freely and no remuneration was paid in the year.

Induction and training

All trustees receive induction upon appointment to their respective roles. Trustees receive a copy of a range of documents including the Annual Report and Accounts and the charitable deed. Training is provided on a variety of topics relevant to the work conducted by the FOFFOR Trust.

Investment powers and policy

The charity is looking to maximise the return in terms of both income and capital. The trustees have unrestricted powers of investment. As permitted by the charity's constitution, the trustees have given the investment managers discretion to manage the portfolio within an agreed risk profile.

The charity operates an ethical investment policy whereby it does not invest in companies which derive a significant proportion of their turnover from any of the following activities:

- Gambling
- The production or sale of alcohol, tobacco or armaments
- The publication and distribution of pornography

The investment managers, Quilter Cheviot are monitored by the trustees by reference to a number of indices and benchmarks including the performance achieved by other similar funds.

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TRUSTEES' ANNUAL REPORT - continued

Activity and financial review

Gross income for the year was £10,241. After net expenditure of £3,309 for costs of raising funds and charitable activities of £1,715 net incoming resources for the year amounted to £5,217.

When investment gains of £21,451 are taken into account, the fund increased in value by £26,668 leaving funds as at 31 December 2020 of £427,716.

Reserves policy

The Trustees have agreed a reserve policy to hold between 3 and 6 months of running costs, (running costs in 2020 were approximately £5,000) to ensure sufficient cashflow for day-to-day activities, meet opportunities that arise over time, and mitigate any unforeseen events that could come up over the next 12 months.

Plans for future periods

The trustees wish to increase:

- More collaboration and building partnership with charities and organisations working in Birmingham and surrounding areas to prevent loneliness and isolation amongst older people.
- Organise day trips, walks and shared lunches to bring generations together in friendship and shared experiences.
- Walking tours of places of worship.
- To ask the Charity Commission to change the charity's objectives to enable the charity to award grants to charities or organisations to prevent loneliness and isolation amongst older people in Birmingham and surrounding areas.

The trustees are responsible for reviewing major strategic, financial and operational risks to which the charity is exposed. The principal risks faced by the charity lie in the performance of investments. We minimise investment risk through the maintenance of a diverse stock market portfolio.

The trustees consider variability of investment returns on the expendable endowment to constitute the charity's major financial risk. This mitigated by retaining expert investment advisors and having a diversified investment portfolio.

Trustees' responsibilities statement

The trustees 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).

The law applicable to charities in England & Wales 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 of the charity for that period. 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 2015 (FRS102);

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TRUSTEES' ANNUAL REPORT – continued**

- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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 Examiners

A resolution to reappoint Myrus Smith as independent examiners of the charity will be put to the Annual General Meeting.

The annual report was approved by the trustees on 27 October 2021 and is signed on their behalf by:



Bal Saini
Chair

The Fellowship Of Faiths For One Race Trust
The Warehouse
54 - 57 Allison Street
Birmingham
B5 5TH

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE FELLOWSHIP OF FAITHS FOR ONE RACE TRUST

I report to the charity trustees on my examination of the accounts of the charity for the period ended 31 December 2020 which are set out on pages 8 to 12.

Responsibilities and basis of report

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

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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 charity 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.



K.C. Fisher FCA
Myrus Smith Chartered Accountants
Norman House
8 Burnell Road
Sutton
Surrey
SM1 4BW

27 October 2021

FELLOWSHIP OF FAITHS FOR ONE RACE TRUST
(Registered Charity No. 1179855)

FOR THE PERIOD ENDED 31 DECEMBER 2020

	Notes	Unrestricted Funds 2020 £	Unrestricted Funds 2019 £
Income from:			
Donations	2	-	358,769
Investments	3	10,241	11,786
Total		<u>10,241</u>	<u>370,555</u>
Expenditure on:			
Raising funds – investment management fees		3,309	84
Charitable activities	4	1,715	4,890
Total		<u>5,024</u>	<u>4,974</u>
Net income before gains on investments		5,217	365,581
Gain on investment assets		21,451	35,467
Net income		<u>26,668</u>	<u>401,048</u>
Reconciliation of funds			
Total funds brought forward		401,048	-
Total funds carried forward		<u>£427,716</u>	<u>£401,048</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

The notes form part of these Financial Statements

FELLOWSHIP OF FAITHS FOR ONE RACE TRUST
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BALANCE SHEET
AS AT 31 DECEMBER 2020

	Notes	2020		2019	
		£	£	£	£
Fixed Assets					
Investments	6		425,274		393,823
Current Assets					
Cash at bank and in hand	4	3,402		8,185	
Creditors					
Amounts falling due within one year	7	960		960	
Net Current Assets			2,442		7,225
Net Assets			<u>£427,716</u>		<u>£401,048</u>
Funds					
Unrestricted			<u>£427,716</u>		<u>£401,048</u>

Approved on behalf of the Trustees on 27 October 2021 and signed on its behalf by



Bal Saini
Chair

The notes form part of these Financial Statements

FELLOWSHIP OF FAITHS FOR ONE RACE TRUST
(Registered Charity No. 1179855)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

a) Basis of preparation

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

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

b) Income recognition

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Investment income is earned through holdings of listed investments and includes dividends and interest. Income from listed investments is recognised as the charity's right to receive payment is established. Bank interest is recognised on a receivable basis.

Donations are recognised when the charity has been notified of the amounts and the settlement date in writing and it is probable that the donor will fulfil their stated obligations. If these conditions are not met the donation is recognised when received.

c) Expenditure recognition

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

- Costs of raising funds comprise investment management fees
- Expenditure on charitable activities includes the cost incurred in the furtherance of the charity's objects

Expenditure includes those costs which relate directly to each activity and also indirect costs, including governance costs that are necessary to support those activities.

d) Fund accounting

Unrestricted general funds are those funds which are freely available for use in furtherance of the objects of the charity and which have not been designated for a particular purpose.

e) Financial instruments

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the Statement of Financial Activities.

f) Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value (quoted market value on a recognised stock exchange) with changes recognised in the Statement of Financial Activities if the investments are publicly traded or their fair value can otherwise be measured reliably.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020
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2. DONATIONS

	Unrestricted Funds 2020 £	Unrestricted Funds 2019 £
Donations		
Transfer from unincorporated charity	£NIL	£358,769
	<u> </u>	<u> </u>

3. INVESTMENT INCOME

	Unrestricted Funds 2020 £	Unrestricted Funds 2019 £
Bank interest and dividends	6,932	11,786
Management fees deducted from Unit Trust	3,309	-
	<u> </u>	<u> </u>
	£10,241	£11,786
	<u> </u>	<u> </u>

4. CHARITABLE ACTIVITIES

	Unrestricted 2020 £	Unrestricted 2019 £
Donations & grants paid	-	450
Travel & conference costs	-	1,125
Newsletter & books	-	605
Volunteer expenses	-	230
Office & meeting room hire	-	600
Office costs	35	690
Governance (Note 5)	1,680	1,190
	<u> </u>	<u> </u>
	£1,715	£4,890
	<u> </u>	<u> </u>

The Trustees have taken advantage of the concession in the SORP to adopt a natural analysis of resources expended on charitable activities.

5. GOVERNANCE

	2020 £	2019 £
Legal fees	720	-
Independent examination	960	960
Trustees expenses	-	230
	<u> </u>	<u> </u>
	£1,680	£1,190
	<u> </u>	<u> </u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020
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6. FIXED ASSET INVESTMENTS

The types of investment held at 31 December 2019 and 31 December 2020 and the market values were:

	2020 £	2019 £
Unit Trusts	383,298	351,847
Investment loan	41,976	41,976
	<u>£425,274</u>	<u>£393,823</u>
Historical cost	<u>£368,356</u>	<u>£358,356</u>

The movement in the market value during the year was:

2020	Unit Trust	Investment Loan	Total
Brought forward at 1 January 2020	351,847	41,976	393,823
Acquisitions at cost	10,000	-	10,000
Unrealised gain	21,451	-	21,451
Market value at 31 December 2020	<u>£383,298</u>	<u>£41,976</u>	<u>£425,274</u>

Comparative information for the movement in the market value in the previous accounting year is as follows

2019	Unit Trust	Investment Loan	Total
Acquisitions at cost	316,380	44,976	361,356
Loan repaid	-	(3,000)	(3,000)
Unrealised gain	35,467	-	35,467
Market value at 31 December 2019	<u>£351,847</u>	<u>£41,976</u>	<u>£393,823</u>

7. CREDITORS: amounts falling due within one year

	2020	2019
Accruals	<u>£960</u>	<u>£960</u>