

FIFTYFOUR TWO FOUNDATION

Registered Charity No. 1180441

ACCOUNTS

FOR THE YEAR ENDED 30th SEPTEMBER 2021

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The FiftyFour Two Foundation (a Charitable Incorporated Organisation)

Report of the Trustees for the financial year ended 30 September 2021

The trustees present their report and the financial statements for the financial year ended 30 September 2021. These are prepared in accordance with the governing document, the recommendations of the 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 (FRS102) and the small companies' regime of the Companies Act 2006.

Reference and administrative details

The FiftyFour Two Foundation is a grant-making charitable company formed in 2018 to provide help to small Charities by providing technical, administrative, or financial support with the intention of significantly increasing their impact and/or reach. It also aims to promote the Christian faith, relieve poverty, and advance education. It is a company limited by guarantee and is also a registered charity (in England & Wales).

The trustees, who are also directors for the purposes of company law, who served during the period and up to the date of this report are:

- William Dalziel
- Hilary A Dalziel
- Jennifer R Stirrup
- Christopher D Dalziel
- Eleanor C Dalziel

Structure, governance, and management

As a Charitable Incorporated Organisation, there is no share capital. Every member of the company undertakes to contribute to the assets of the company in the event of it being wound up whilst being a member or within one year of ceasing to be a member, such amount not to exceed £10. The relevant governing document is the CIO's Constitution.

New trustees may be appointed by resolution passed at a special meeting of the trustees, or by statutory powers. The training and induction for new trustees will depend on experience. The trustees are responsible for setting general policy, and for the day to day running of the company.

Trustees are not remunerated for their services, and no payments or services were made to Trustees during the year (2020 Nil).

Objectives and principal activities

The charitable objectives of the company, which are for the public benefit, are:

1. The prevention or relief of poverty.
2. The advancement of education, in particular the development of individual capabilities, competence, leadership, skills and understanding.
3. The advancement of the Christian faith.
4. To advance the efficiency and effectiveness of Charities and the effective use of charitable resources; and
5. To advance such charitable purposes (according to the law of England and Wales) as the Trustees see fit from time to time by the provision of grants and other financial assistance.

Risks

The trustees confirm that the major risks to which the charity is exposed have been identified and reviewed and that systems are in place to mitigate those risks.

Public benefit

The trustees are satisfied that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

When planning the charity's activities, the trustees considered the Charity Commission Guidance on public benefit. The trustees also considered how the charity had succeeded in delivering its aims, including any public benefit, when reviewing the achievements for the period which are set out below.

Achievements and performance

This is our third full year of operation. We have followed the criteria established by the Trustees in 2019 to guide our Charitable Grant making, largely through engaging with individuals and Charitable organisations, mostly local to our Trustees, in Bristol, London and the East Midlands.

In total, we have now considered well over 90 Grant applications and are satisfied that we can be most effective by focusing our Grants on a limited number of Charities. This enables us to increase the value of each Grant and to commit support over the medium term – typically 3 years. We aim to engage in partnership that allows the Charity to plan and look to support transformative initiatives that multiply a Charity's impact over, say, a 3-year time horizon.

We aim to work with organisations and individuals with which our Trustees have first-hand experience, that are developing innovative approaches to addressing significant social challenges, have a roadmap to sustainability, and where our funding can make a meaningful difference. Typically, but not exclusively, these would be local, focused organisations or individuals that operate from a Christian philosophy of service. We are particularly interested in investing in organisational development, to build governance and administrative capacity, so, in addition to funding, we often contribute technical, administrative, governance and other support as needed. We have also been able to fund infrastructure that will release bottlenecks in service delivery. We understand that Charities find it easier to find funding for high-profile projects and buildings, so we focus on those areas that prove more difficult, such as overheads and administration. We know that well governed and administered Charities are more likely to be effective in delivering their mission.

While we have made grants to individuals, such grants are generally few and small. With a few notable exceptions, we do not generally have sufficient information to ensure any Grants to individuals fully meet the Foundation's Charitable Objects. As such, we generally prefer to work with organisations as opposed to individuals.

In 2020/21 we continued our partnership with another charity that specialises in international development, where we jointly made three-year loan on preferential terms to support a development project that aims to create jobs, reduce dependence on imported food and support a Christian mission organisation from expected profits.

We have also made a few small Grants in response to immediate funding emergencies and expect to continue to do so as needs arise. At the time this report is being written, we are still living through the Coronavirus Epidemic, and while the UK Government has responded with very substantial support, we are aware that Charities are suffering from funding gaps, and we have been able to respond to this within limits. In one specific instance, we are supporting a Charity to deliver its services digitally.

We continue to be impressed by the energy of the Voluntary Sector, and the initiative, persistence, and creativity of so many people we have been in touch with. This gives us encouragement as we consider the scale of the challenges facing so many families and individuals. We particularly want to thank the Charities and individuals we have been able to support this year. We are grateful to be able to partner with organisations that are ambitious, creative, and passionate about bringing about change for good.

Financial review

The charity had no new income during the current financial period. This is in line with the Trustees' expectations. Following the end of the period under review, we received additional funds, as the Trustees had anticipated. Total expenditure for the period was £48,933.23, which was funded from reserves. Of this expenditure, 95% was in the form of Grants, with only 5% in administrative costs. This leaves £73,436.49 in the Charity's retained accumulated surplus.

Of the funds retained by the Charity, £42,500 is earmarked for future Grants to certain Charities with whom we have agreed medium term funding. The remaining £30,936.49 is classed as unrestricted funds. As we consider future grant applications, it is the Trustees' policy to limit any commitments to those that can be fully met from funds in hand.

The trustees review the reserve levels at each Trustee meeting. This review includes income and committed grants, as well as new Grant applications. The Charity has no meaningful operating costs, as the administration and oversight are carried out on a voluntary basis. As such, the Trustees consider that the level of reserves not held for a specific purpose which are needed to support the Charity are de minimis, and more than adequately covered by our present reserves.

Plans for future periods

We continue to receive unsolicited Grant Applications, many of which do not meet our Grant making criteria and priorities. We intend to continue to develop our website so that, among other things, it will help grant applicants understand our Charity's objects, priorities, and approach more clearly.

The Trustees anticipate that we will start working with new Charities over the next two years, as the support agreements with some of our existing partnerships reach their objectives. It has been very encouraging to see organisations that we have partnered with since we started reach the point where they no longer need our support as they have achieved sustainability. We will be particularly interested in engaging with Charities in Bristol and Leicestershire that fit our criteria.

In addition to grants, we will consider using our reserves to make loans to, and investments in, business ventures with social objectives, provided we can have confidence in the sustainability of their business model. For example, we have begun studying the possibility of investing in a social enterprise developing affordable housing and expect to make a decision on this in the next financial year.

Trustees' responsibilities statement

The trustees (who are also directors of the charitable company for the purposes of company law) are responsible for preparing the trustees' report (incorporating the directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (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 affairs of the charitable company and of the income and expenditure of the charitable company for that period. In preparing these financial statements, the trustees are required to:


- select suitable accounting policies and apply them consistently.
- observe the methods and principles in the Charities SORP.
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for maintaining adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable the trustees 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small entities' regime.

This report was approved by the trustees on 1st March 2022 and is signed on their behalf by:

On behalf of the Trustees – FiftyFour Two Foundation



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William Dalziel (Chair)

19th March 2022

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Date

Independent Examiner's Report to the Trustees of FiftyFour Two Foundation for the Year Ended 30th September 2021

This is my report to the board of trustees of FiftyFour Two Foundation, on the annual report for the year ended 30 th September 2020 set out on pages 7 – 9	
<i>Respective responsibilities of trustees and examiner</i>	<p>The Trustees are responsible for the preparation of the annual reports. The Trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed.</p> <p>It is my responsibility to:</p> <ol style="list-style-type: none"> 1. examine the accounts under section 145 of the Charities Act, 2. to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and 3. to state whether particular matters have come to my attention.
<i>Basis of independent examiner's statement</i>	<p>My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records.</p> <p>It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently, no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.</p>
<i>Independent examiner's statement</i>	<p>In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:</p> <ul style="list-style-type: none"> • accounting records were not kept in accordance with section 130 of the Charities Act or • the accounts do not accord with the accounting records <p>I have come across no other matters in connection with the examination to which attention should be drawn in order to enable a proper understanding of the accounts to be reached.</p>
<i>Examiner's signature</i>	
<i>Examiner's name</i>	STERLING LIBS FCCA, MAAT
<i>Date</i>	10/03/2022
<i>Relevant professional qualification(s) or body</i>	Association of Chartered Certified Accountants (ACCA), Association of Accounting Technicians (AAT),
<i>Examiner's address</i>	160 Hollingwood Lane, Bradford BD7 4DB

**FIFTYFOUR TWO FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30/09/2021**


	Unrestricted Funds	Restricted Funds	Total funds 2021
INCOME	£	£	£
Voluntary Income	0.00		0.00
Other income			
TOTAL INCOME	0.00		0.00
 EXPENDITURE			
Charitable giving	47,500		47,500
Accountancy fees	836.40		836.40
subscriptions	365.23		365.23
Administrative expenses	231.00		231.00
Other expenses			
TOTAL EXPENDITURE	48,933.23		48,933.23
 NET INCOME/(EXENDITURE)	(48,933.23)		(48,933.23)
TOTAL FUNDS BROUGHT FORWARD	0		0
TOTAL FUNDS CARRIED FORWARD	(48,933.23)		(48,933.23)

**FIFTYFOUR TWO FOUNDATION
BALANCE SHEET AS AT 30/09/2021**

	2021	2020
FIXED ASSETS		
Tangible Fixed Assets	0.00	0.00
	0.00	0.00
CURRENT ASSETS		
Loan to Angello Dev't fund	15,100.42	20,000.00
Cash at bank and in hand	58,336.07	102,369.72
	<u>73,436.49</u>	<u>122,369.72</u>
LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Creditors	0	
NET CURRENT ASSETS	73,436.49	122,369.72
NET ASSETS	<u>73,436.49</u>	<u>122,369.72</u>
Represented by		
FUNDS		
Unrestricted Funds	30,936.49	67,369.72
Restricted Funds	42,500.00	55,000
TOTAL FUNDS	<u>73,436.49</u>	<u>122,369.72</u>

Approved by the Board of Trustees on: 19th March 2022 and signed by

William Dalziel (Chairman)



**FIFTYFOUR TWO FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30/09/2021**

Note 1

Basis of Preparation and accounting policies

The Charity – FiftyFour Two Foundation (The Foundation), is a public benefit entity within the meaning of FRS102. The financial statements have been prepared under the Charities Act 2011 and with the Regulations' "true and fair view" provisions, together with FRS102 (2016) as the applicable accounting standards and the 2016 version of the Statement of Recommended Practice,

The financial statements have been prepared under the historical cost convention.

Funds:

Unrestricted funds represent the funds of the Foundation that are not subject to any restrictions regarding their use and are available for application for the general purposes of the charity.

Designated or restricted funds are funds earmarked by the trustees for a particular purpose. The designated or restricted fund shown in the accounts is for future Grants to certain Charities with whom we have agreed medium term funding.

The accounts include all transactions, assets, and liabilities for which the trustees are responsible in law.

Income

Voluntary income and capital sources

- i. Donations are recognised when received by or on behalf of the Foundation.
- ii. Planned giving receivable under Gift Aid is recognised only when received.
- iii. Income tax recoverable on Gift Aid donations is recognised when the related income is recognised.
- iv. Grants and legacies to the Foundation are accounted for as soon as the Foundation is notified of its legal entitlement, the amount due is quantifiable and its receipt by the Foundation is reasonably certain.

Income from investments

- i. Interest entitlements are accounted for as they fall due.
- ii. Tax recoverable on such income is recognised in the same accounting period.