

FIFTYFOUR TWO FOUNDATION

Registered Charity No. 1180441

ACCOUNTS

FOR THE YEAR ENDED 30th SEPTEMBER 2022

TABLE OF CONTENTS

	Page Number
Trustees Report	3
Independent Examiner's Report	6
Statement of Financial Activities	7
Balance Sheet	8
Notes to the Accounts	10

The FiftyFour Two Foundation (a Charitable Incorporated Organisation)

Report of the Trustees for the financial year ended 30 September 2022

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.

Structure, governance, and management

The FiftyFour Two Foundation (54:2) is a grant-making Charitable Incorporated Organisation (CIO) formed in 2018. It is a company limited by guarantee and is also a registered charity (in England & Wales).

As a CIO, 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.

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

The trustees are responsible for setting general policy and for the day-to-day running of the company, and meet at least annually, and up to four times a year, depending on the number of grant applications and other administrative matters that need to be considered.

Trustees are not remunerated for their services, and no payments or services were made to Trustees during the year (2021 Nil). New trustees may be appointed by resolution passed at a special meeting of the trustees, or by statutory powers. The training and induction of new trustees will depend on experience.

Objectives and principal activities

54:2 was established to help small Charities by providing technical, administrative, and/or financial support with the intention of significantly increasing their impact and/or reach. It aims to promote the Christian faith, relieve poverty, and advance education.

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.

In making grants, preference is given to registered charities. Where the proposed recipient organisation is not a registered charity, the trustees undertake an examination of the organisation to ensure the purpose of the grant is well aligned with 54:2 Foundation's objects, that the grant is for public benefit, and that there are controls in place to ensure as far as practicable that any grant made to the organisation, will be properly applied to such charitable purpose, failing which, it is returned.

The trustees avoid grants to individuals. While we have made grants to individuals, such grants are 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.

The trustees also avoid grants to organizations of an overtly political nature, including organisations established to promote a subjective opinion.

We aim to work with organisations with whom our Trustees have first-hand experience, and 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 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-visibility projects and buildings, so we focus on those areas that prove more difficult, such as overheads and administration. Well-governed and administered Charities are more likely to be effective in delivering their mission.

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 fourth full year of operation. We have followed the criteria established by the Trustees to guide our Charitable Grant-making, largely through engaging with Charities and organisations mostly local to our Trustees, in Bristol, London and the East Midlands. In addition, we have continued to support charitable projects in Zimbabwe.

In the period under review, we concluded our four-year grant program to Power the Fight, a charity which tackles violence affecting young people, creates long-term solutions for sustainable change and advocate on behalf of the community with policymakers. We have been gratified to witness the growing impact of Power the Fight during these four years and pleased to have been part of their journey.

We have continued to support a focused number of charities in the UK involved in supporting women at risk of sexual violence and/or modern slavery, working with offenders and their communities, providing housing and support to people at risk of homelessness, strengthening families and marriages, and responding to the humanitarian crisis in Ukraine. We have also supported community-authored projects in Zimbabwe in the areas of education, livelihoods, and fostering /adoption.

We were particularly pleased to be able to partner with a charity in the East Midlands that is working to address the causes and consequences of poverty and loneliness in rural Leicestershire. We have committed to a three-year funding program that will strengthen its capabilities, develop its theory of change, and enable it to build a long-term funding strategy.

In 2021/22 we built on our existing partnership with another charity that specialises in funding international development. Together we have funded an affordable-housing project in Kenya, which will build approximately 100 high-quality housing units for families whose only other option would be slum dwellings. The intention, once complete, is to offer residents a rent-to-buy option. This is a proof-of-concept for the premise that well-planned and delivered affordable housing can be an attractive asset for local long-term institutional investors while meeting pressing housing needs. We are already seeing good traction and are

increasingly confident of the success of the project. We are engaging with local capital providers, lenders, Government agencies and others who we expect will take on the scaling up of the concept.

We have also made a few small Grants in response to immediate funding emergencies and expect to continue to do so as needs arise. In one specific instance, we are supporting a Charity to deliver its services digitally. In another, we identified and made grants to charities working on the ground with the humanitarian crisis in Ukraine.

We want to thank the Charities and organisations we have been able to support this year. We are grateful to be able to partner with organisations that are visionary, ambitious, creative, undaunted and passionate about bringing about change for good.

Financial review

The charity had £216,662 in income during the current financial period. This was in line with the Trustees' expectations. Total expenditure for the period was £209,840.20. Of this expenditure, 98.6% was in the form of Grants, with only 1.4% in administrative costs. This leaves £6,821.80 as the Charity's retained surplus.

The accumulated surplus of £80,258.29 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 any 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 are currently not considering unsolicited grant applications. 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.

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. As these organisations move on and up, we will be looking to engage with another two or three Charities and organisations in Bristol and Leicestershire that fit our criteria.

It is the Trustees' expectation that grants will continue to be made at a similar annual rate to the past four years.

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.

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:

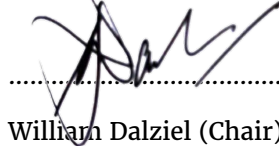
- select suitable accounting policies and apply them consistently.
- observe the methods and principles in the Charities SORP.
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that 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 21st May 2023 and is signed on their behalf by:


On behalf of the Trustees – FiftyFour Two Foundation


.....
William Dalziel (Chair)

4 June 2023

Date

Independent Examiner's Report to the Trustees of FiftyFour Two Foundation for the Year Ended 30th September 2022

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>	21/05/2023
<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 30/09/2022**

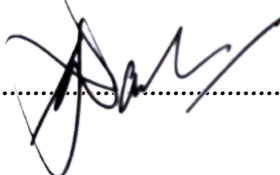
	Unrestricted Funds	Restricted Funds	Total funds 2022
	£	£	£
INCOME			
Voluntary Income	0.00		0.00
Other income	216,662.00		216,662.00
TOTAL INCOME	<u>216,662.00</u>		<u>216,662.00</u>
EXPENDITURE			
Charitable giving	206,876.50		206,876.50
Accountancy fees	836.40		836.40
subscriptions	374.40		374.40
Administrative expenses	1,752.90		1,752.90
Other expenses			
TOTAL EXPENDITURE	<u>209,840.20</u>		<u>209,840.20</u>
NET INCOME/(EXPENDITURE)	<u>6,821.80</u>		<u>6,821.80</u>
TOTAL FUNDS BROUGHT FORWARD	<u>0</u>		<u>0</u>
TOTAL FUNDS CARRIED FORWARD	<u>6,821.80</u>		<u>6,821.80</u>

**FIFTYFOUR TWO FOUNDATION
BALANCE SHEET AS AT 30/09/2022**

	2022	2021
FIXED ASSETS		
Tangible Fixed Assets	0.00	0.00
	0.00	0.00
CURRENT ASSETS		
Loan to Angello Dev't fund	72,556.42	15,100.42
Cash at bank and in hand	7,701.87	58,336.07
	<u>80,258.29</u>	<u>73,436.49</u>
LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Creditors	0	
NET CURRENT ASSETS	80,258.29	73,436.49
NET ASSETS	<u>80,258.29</u>	<u>73,436.49</u>
Represented by		
FUNDS		
Unrestricted Funds	80,258.29	30,936.49
Restricted Funds	0.00	42,500.00
TOTAL FUNDS	<u>80,258.29</u>	<u>7,436.40</u>

Approved by the Board of Trustees on: 4th June 2023 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.