

Charity registration number: 1188878

# Ford Family Foundation

Annual Report and Financial Statements

for the Year Ended 31 December 2022

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## **Reference and Administrative Details**

### **Trustees**

Mr Anthony John Ford, Chairman

Mr Stuart Lees FCA

Mr David Andrew Gardner FCA

### **Charity Registration Number**

1188878

### **Principal Office**

KBS House  
5 Springfield Court  
Summerfield Road  
Bolton  
BL3 2NT

### **Auditor**

Beever and Struthers  
One Express  
1 George Leigh Street  
Manchester  
M4 5DL

## **Trustees Report**

The trustees present the annual report together with the financial statements and auditors' report of the charity for the year ended 31 December 2022.

### **Objectives and activities**

#### ***Objects and aims***

The object of the Foundation is to advance such charitable purposes as the trustees think fit from time to time.

To achieve its object, the Foundation provides funding to charities and not for profit organisations to assist in the delivery of their activities, services or outcomes provided these constitute a charitable application of funds for the public benefit and further the Foundation's own charitable purposes.

#### ***Objectives, strategies and activities***

The Foundation aims to maximise its impact by supporting charities and not for profit organisations ("NFPs") with sustainable business models and that are capable of delivering impact at scale. The Foundation's strategic objective is to create a portfolio of impact businesses that best further its charitable purposes providing flexible funding and support opportunities suited to the needs of the relevant charities and NFPs and structured in a way as to protect and grow the Foundation's fund.

It will investigate funding and investment opportunities with established charities and NFPs looking to scale their impact across the UK and beyond which will include collaborating with strategic university partners to identify the most talented and reputable social entrepreneurs.

In 2022 the Foundation employed a Managing Director, Kate Mason, to help execute this strategy and advance its charitable purpose. This position yielded positive results leading to positive engagements across the UK's further education network and successful provision on funding to four organisations in the form of financial contributions and tailored business support.

Charitable donations of £18,000 were made to the Honeypot Children's Charity a national young carers charity providing countryside respite breaks for young carers and £30,000 to Beechwood Cancer Care Centre, a charity providing free specialist care and counselling to those living with life-limiting illness and their families. Both charities were selected for their demonstratable impact with funding supporting delivery of their charitable purpose and day to day activities.

Through its engagements with various universities the Foundation was able to identify two NFPs suitable for financial support; Real Education Alternative Learning CIC and Bounceback Food CIC.

Real Education Alternative Learning CIC were provided with a grant of £25,000 to support their work within youth crime in Birmingham and the Midlands. Grant funding allowed Real Education Alternative Learning CIC to expand delivery of their educational resources across partners in the Midlands creating an accessible provision to vulnerable young people.

## **Trustees Report (incorporating the Directors report) (continued)**

Bounceback CIC received the following grant funding:

- (i) £25,000;
- (ii) the transfer by the Foundation of 20,000 ordinary shares of £0.01 each in the capital of K3 Capital Group plc (the “Tranche 1 Shares”);
- (iii) the transfer by the Foundation of 55,000 ordinary shares of £0.01 each in the capital of K3 Capital Group plc (the “Tranche 2 Shares”);
- (iv) a further amount upon the sale of the Tranche 1 Shares that would equal the amount by which the proceeds from the sale of the Tranche 1 Shares is less than £50,000; and
- (v) a further amount upon the sale of the Tranche 2 Shares that would equal the amount by which the proceeds from the sale of the Tranche 2 Shares is less than £135,000.

Funding from the Foundation enabled Bounceback CIC to expand their business and secure their first premises operating a ‘buy one give one’ hot food stand at Altrincham Market. They have scaled their hot meal provision and are currently supplying charities across Manchester with 400-500 hot meals per week including partnerships with homeless shelters, foodbanks and women’s refuges.

Although working in different impact areas, both social enterprises align with the Foundation’s charitable purposes, maintaining a focus on helping those in economically deprived areas, providing employment opportunities and with the ambition to deliver impact at scale.

### ***Public benefit***

The work of the Foundation and the funds it raises are wholly directed towards furthering the aims and objectives set out on page 2 and the trustees are therefore of the view that the Foundation satisfies the criteria laid down for meeting the public benefit test.

The trustees are aware of the Charity Commission’s guidance on public benefit.

### ***Grant making policies***

The trustees consider applications for grants that further the Foundation’s objective. The criteria for grant making is not inflexible and the Foundation’s purposes are not limited to one specific charitable purpose to allow the greatest flexibility but in general the trustees consider:

- applications which benefit a significant number of beneficiaries
- applicants must be charitable or not for profit organisations
- organisations working in economically deprived areas are preferred
- established organisations are preferred

## **Achievements and performance**

### **Financial review**

Tony Ford made a further donation of 250,000 shares in K3 Capital Group plc to the Foundation in December 2022. At 31 December 2022 the Foundation held 925,000 shares in K3 Capital Group plc.

### ***Policy on reserves***

The trustees’ policy is to distribute any income arising in the Foundation, after allowing for operating expenses, but to retain a small proportion of income in reserve as cash to meet urgent needs in advance of expected receipts.

## **Trustees Report (incorporating the Directors report) (continued)**

### ***Investment policy and objectives***

The funding of the Foundation has been through the gifting of shares in K3 Capital Group PLC. The trustees consider it to be appropriate to continue to hold these shares as its investments until the sale of K3 Capital Group plc. Subsequent to the year end, the K3 Capital Group PLC shares were sold for cash consideration on the acquisition of K3 Capital PLC, this realised cash of £3,237,500.

The Foundation will investigate opportunities for social investment that generate both social and financial return, growing the Foundation's fund.

### **Plans for future periods**

#### ***Aims and key objectives for future periods***

The Foundation will continue to provide business and other necessary support to existing beneficiaries ensuring they are best equipped to scale their enterprises and maximise their impact.

Following the success of current beneficiaries, the Foundation will seek new funding opportunities with charities and not for profits.

To ensure we connect with the highest calibre social enterprises and entrepreneurial founders in the social impact sector the Foundation will pursue strategic university partnerships working with those that have established enterprise departments, existing social impact competitions and ambitions to support the social enterprise sector.

Through 2023 and beyond the Foundation will work to establish its reputation as funder, university partner and influential figure in the social enterprise sector. It will work with partners in the sector to convene events raising the Foundation's profile with the purpose of advancing its charitable purpose.

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

#### ***Nature of governing document***

Ford Family Foundation is a charitable incorporated organisation, governed by its constitution dated 20 November 2019. The object of the Foundation is to advance such charitable purposes as the trustees think fit from time to time. New trustees are appointed by existing trustees after a selection and interview process. As part of the appointment process new trustees are provided with the Foundation's governing documents, accounting information and policies, together with information on the duties and responsibilities of charitable trustees.

The following served as trustees during the whole of the period under review, unless otherwise stated:

A Ford  
D Gardner  
S Lees

#### ***Arrangements for setting key management personnel remuneration***

No trustees received any remuneration during the year. No trustee received reimbursed expenses during 2022. In the year ended 31 December 2022 the financial statements have been prepared on an accruals basis, (2021: receipts and payments basis). This is in line with guidance provided by the Charity Commission. The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of Ford Family Foundation and enable them to ensure that the financial statements comply with relevant law. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Trustees Report (incorporating the Directors report) (continued)**


### **Important non-adjusting events after the financial period**

In March 2023, K3 Capital Group PLC was sold and the Foundation sold its 925,000 shares held in investments for £3,237,500.

### **Disclosure of information to auditor**

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 30 October 2023 and signed on its behalf by:

DocuSigned by:  
  
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Mr Anthony John Ford  
Trustee

## Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.


The law applicable to charities 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;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper 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 Charities (Accounts and Reports) Regulations 2008, and the provisions of the constitution. The trustees 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees of the charity on 30 October 2023 and signed on its behalf  
by:

DocuSigned by:  
  
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Mr Anthony John Ford  
Trustee



## **Independent Auditor's Report to the Trustees of Ford Family Foundation**

### **Opinion**

We have audited the financial statements of Ford Family Foundation (the 'charity') for the year ended 31 December 2022, which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Independent Auditor's Report to the Trustees of Ford Family Foundation (continued)**

### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees Report.

We have nothing to report in respect of the following matters where the Charities (Accounts and Report) Regulations 2008 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 6), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor Responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

## **Independent Auditor's Report to the Trustees of Ford Family Foundation (continued)**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

- We obtained an understanding of laws and regulations that could reasonably be expected to have a material effect on the financial statements through discussion with management and those charged with governance, including financial reporting and taxation legislation. We considered that extent of compliance with those laws and regulations as part of our procedures on the related financial statement items.

- We inquired of management and those charged with governance as to any known instances of noncompliance or suspected non-compliance with laws and regulations. We remained alert to any indications of non-compliance throughout the audit.

- We addressed the risk of fraud through management override by reviewing the appropriateness of a sample of journal entries and other adjustments; assessing whether the judgements made in making key accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business that we come across throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Independent Auditor's Report to the Trustees of Ford Family Foundation (continued)**

### **Use of our report**

This report is made solely to the charity trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to trustees in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



.....  
Mark Bradley FCA (Senior Statutory Auditor)

For and on behalf of Beever and Struthers, Statutory Auditor

One Express  
1 George Leigh Street  
Manchester  
M4 5DL

Date: 30 October 2023

Beever and Struthers is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

## Statement of Financial Activities for the Year Ended 31 December 2022

	Note	Unrestricted funds £	Total 2022 £
<b>Income and Endowments from:</b>			
Donations and legacies		1,573,865	1,573,865
Investment income	3	<u>80,750</u>	<u>80,750</u>
Total income		<u>1,654,615</u>	<u>1,654,615</u>
<b>Expenditure on:</b>			
Charitable activities		<u>(310,413)</u>	<u>(310,413)</u>
Total expenditure		<u>(310,413)</u>	<u>(310,413)</u>
Gains on investment assets		<u>75,250</u>	<u>75,250</u>
Net income		<u>1,419,452</u>	<u>1,419,452</u>
Net movement in funds		1,419,452	1,419,452
<b>Reconciliation of funds</b>			
Total funds brought forward		<u>1,761,325</u>	<u>1,761,325</u>
Total funds carried forward	14	<u>3,180,777</u>	<u>3,180,777</u>

All of the charity's activities derive from continuing operations during the two periods.

The funds breakdown for 2021 is shown in note 14.

	Note	Unrestricted funds £	Total 2021 £ (As restated)
<b>Income and Endowments from:</b>			
Investment income	3	<u>45,500</u>	<u>45,500</u>
Total income		<u>45,500</u>	<u>45,500</u>
<b>Expenditure on:</b>			
Charitable activities		<u>(1,560)</u>	<u>(1,560)</u>
Total expenditure		<u>(1,560)</u>	<u>(1,560)</u>
Net income		<u>43,940</u>	<u>43,940</u>
Net movement in funds		43,940	43,940
<b>Reconciliation of funds</b>			
Total funds brought forward		<u>1,717,385</u>	<u>1,717,385</u>
Total funds carried forward	14	<u>1,761,325</u>	<u>1,761,325</u>

The notes on pages 14 to 22 form an integral part of these financial statements.

**Balance Sheet as at 31 December 2022**

	Note	2022 £	2021 £ (As restated)
<b>Fixed assets</b>			
Investments	10	3,172,750	1,700,000
<b>Current assets</b>			
Debtors	11	-	64,385
Cash at bank and in hand	12	<u>18,527</u>	-
		18,527	64,385
<b>Creditors: Amounts falling due within one year</b>	13	<u>(10,500)</u>	<u>(3,060)</u>
<b>Net current assets</b>		<u>8,027</u>	<u>61,325</u>
<b>Net assets</b>		<u>3,180,777</u>	<u>1,761,325</u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		1,419,452	43,940
Opening reserves		<u>1,761,325</u>	<u>1,717,385</u>
Total unrestricted funds		<u>3,180,777</u>	<u>1,761,325</u>
<b>Total funds</b>	14	<u>3,180,777</u>	<u>1,761,325</u>

The financial statements on pages 11 to 22 were approved by the trustees, and authorised for issue on 30 October 2023 and signed on their behalf by:

DocuSigned by:

*Tony Ford*

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Mr Anthony John Ford  
Trustee

**Cash Flow Statement for the Year Ended 31 December 2022**

	<b>Note</b>	<b>2022 £</b>	<b>2021 £ (As restated)</b>
<b>Cash flows from operating activities</b>			
Net income		1,419,452	43,940
<b>Adjustments to cash flows from non-cash items</b>			
Investment income	3	(80,750)	(45,500)
Donation of investments		(1,573,750)	-
Transfer of investments as grants		176,250	
Revaluation of investments		<u>(75,250)</u>	<u>-</u>
		(134,048)	(1,560)
<b>Working capital adjustments</b>			
Decrease/(increase) in debtors	11	64,385	(47,000)
Increase in creditors	13	<u>7,440</u>	<u>3,060</u>
Net cash flows from operating activities		<u>(62,223)</u>	<u>(45,500)</u>
<b>Cash flows from investing activities</b>			
Income from dividends	3	<u>80,750</u>	<u>45,500</u>
Net cash flows from investing activities		<u>80,750</u>	<u>45,500</u>
Net increase/(decrease) in cash and cash equivalents		18,527	-
Cash and cash equivalents at 1 January		<u>-</u>	<u>-</u>
Cash and cash equivalents at 31 December		<u>18,527</u>	<u>-</u>

All of the cash flows are derived from continuing operations during the above two periods.

## Notes to the Financial Statements for the Year Ended 31 December 2022

### 1 Accounting policies

#### Statement of compliance

The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

#### Basis of preparation

Ford Family Foundation meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

#### Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

#### Prior period errors

The figures for the year ended 31 December 2021 have been restated to reflect the transition from receipts and payments accounts to accrual accounting.

	2022 £	2021 £	2020 £
Total reserves opening balance	1,700,000	1,700,000	1,700,000
Surplus for the year	-	-	-
Reserves prior to adjustment	1,700,000	1,700,000	1,700,000
Prior year adjustment	61,325	43,940	17,385
Restated reserves	1,761,325	1,761,325	1,717,385

#### Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

#### Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured. Donations in the year relate to shares in listed entities and these are recognised on the transfer of the shares.

#### Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Dividend income from listed investments is recognised on entitlement.



## Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

### **Expenditure**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

### ***Grant provisions***

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

### **Fixed asset investments**

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

## Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

### **Financial instruments**

#### ***Classification***

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

#### ***Recognition and measurement***

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

#### ***Investments***

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

#### ***Derivative financial instruments***

The charity uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The charity does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in statement of financial activities immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of financial activities depends on the nature of the hedge relationship.

## Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

### *Fair value measurement*

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

### 2 Income from donations and legacies

	Unrestricted funds General £	Total funds £
Donations and legacies;		
Donations from companies, trusts and similar proceeds	1,573,865	1,573,865
<b>Total for 2022</b>	1,573,865	1,573,865

### 3 Investment income

	Unrestricted funds General £	Total funds £
Income from dividends;		
Dividends receivable from other listed investments	80,750	80,750
<b>Total for 2022</b>	80,750	80,750
<b>Total for 2021</b>	45,500	45,500

## Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

### 4 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total funds £
Grant funding of activities		226,250	226,250
Staff costs		17,336	17,336
Allocated support costs		<u>66,827</u>	<u>66,827</u>
<b>Total for 2022</b>		<u>310,413</u>	<u>310,413</u>
<b>Total for 2021</b>		<u>1,560</u>	<u>1,560</u>

	Activity undertaken directly £	Activity support costs £	Total expenditure £
Grants payable	226,250	-	226,250
Wages and salaries	-	17,336	17,336
Legal and professional fees	-	7,140	7,140
Accountancy fees	-	3,270	3,270
Audit fees	-	7,200	7,200
Computer software and maintenance	-	932	932
Bank charges	-	285	285
Donations	<u>48,000</u>	<u>-</u>	<u>48,000</u>
<b>Total for 2022</b>	<u>274,250</u>	<u>36,163</u>	<u>310,413</u>

## Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

### 5 Grant-making

#### Analysis of grants

Below are details of material grants made to institutions by the

Name of institution	2022 £	2021 £
Real Direction	25,000	-
Bounceback Food CIC	201,250	-
	<u>226,250</u>	<u>-</u>

### 6 Net incoming/outgoing resources

Net incoming resources for the year include:

	2022 £	2021 £
Audit fees	7,200	-
Other non-audit services	3,270	660
	<u>3,270</u>	<u>660</u>

### 7 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

### 8 Staff costs

The aggregate payroll costs were as follows:

	2022 £
<b>Staff costs during the year were:</b>	
Wages and salaries	<u>17,336</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2022 No	2021 No
Employees	<u>1</u>	<u>1</u>

No employee received emoluments of more than £60,000 during the year

## Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

### 9 Taxation

The charity is a registered charity and is therefore exempt from taxation.

### 10 Fixed asset investments

	2022 £	2021 £
Other investments	3,172,750	1,700,000

#### Other investments

	investments Existed	Total
	£	£
<b>Cost or Valuation</b>		
At 1 January 2022	1,700,000	1,700,000
Revaluation	75,250	75,250
Additions	1,573,750	1,573,750
Disposals	(176,250)	(176,250)
At 31 December 2022	3,172,750	3,172,750

#### Net book value

At 31 December 2022	3,172,750	3,172,750
At 31 December 2021	1,700,000	1,700,000

### 11 Debtors

	2022 £	2021 £ (As restated)
Accrued income	-	64,385

### 12 Cash and cash equivalents

	2022 £
Cash at bank	18,527

### 13 Creditors: amounts falling due within one year

	2022 £	2021 £ (As restated)
Accruals	10,500	3,060

## Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

### 14 Funds

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2022 £
<b>Unrestricted funds</b>					
General	1,761,325	1,654,615	(310,413)	75,250	3,180,777
	<b>Balance at 1 January 2021 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>		<b>Balance at 31 December 2021 £</b>
<b>Unrestricted funds</b>					
General	1,717,385	45,500	(1,560)		1,761,325

### 15 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 31 December 2022 £
Fixed asset investments	3,172,750	3,172,750
Current assets	18,527	18,527
Current liabilities	(10,500)	(10,500)
Total net assets	3,180,777	3,180,777
	Unrestricted funds General £	Total funds at 31 December 2021 £ (As restated)
Fixed asset investments	1,700,000	1,700,000
Current assets	64,385	64,385
Current liabilities	(3,060)	(3,060)
Total net assets	1,761,325	1,761,325

### 16 Related party transactions

During the year the charity made the following related party transactions:

#### Anthony Ford (Trustee)

During the year, all investments received, were gifted to the Ford Family Foundation by Anthony Ford and comprised shares in K3 Capital Group plc in which he had an interest. At the balance sheet date the amount due to/from Anthony Ford (Trustee) was £Nil (2021 - £Nil).

## **Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)**

### **17 Non-adjusting events after the financial period**

In March 2023 K3C was sold and the Foundation sold 925,000 shares held in investments for £3,237,000.