

**185<sup>th</sup> ANNUAL REPORT, ACCOUNTS  
and  
LIST OF CONTRIBUTORS  
for  
YEAR ENDING 31<sup>st</sup> JANUARY, 2021**

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NOTICE IS HEREBY GIVEN that the 185<sup>th</sup> ANNUAL GENERAL MEETING of **Footwear Friends** (Footwear Benevolent Society) will be held virtually on the 3<sup>rd</sup> June 2021 at 12.15 p.m. for the following purposes, viz:

To confirm:

The President for the financial year ending 31<sup>st</sup> January 2022

To present:

Apologies

Notice of Meeting

Minutes of the 184<sup>th</sup> Annual General Meeting

To approve:

The Annual Report of the Executive Committee

The Accounts for the year ending 31<sup>st</sup> January 2021

To elect:

(a) Chairman for the ensuing year

(b) Honorary Treasurer

(c) Trustees of the Executive Committee

(d) Examining Accountants

Any other business

13<sup>th</sup> May 2021

By order of the Executive Committee

MRS. G. O'SULLIVAN

*Secretary*

DONATION

I wish to donate:

Are you an Income Tax payer? ☐ Yes

☐ No

Please make cheques payable to Footwear Friends

*giftaid it*

Signature:

Date:

**GIFT AID DECLARATION**

MAKE YOUR GIFT TAX EFFECTIVE!

To make your gift tax effective, simply sign and date the certificate below. Thank you.

**GIFT AID DECLARATION**

Title -----

Forename(s)-----Surname-----

Address -----

Signature: ----- Date -----

I want the charity to treat

\* the enclosed donation of £ -----

\* the donation(s) of £ -----which I made on ---/---/---

\* all donations I made from the date of this declaration until I notify you otherwise

\* all donations I have made since 6<sup>th</sup> April 2000, and all the donations I make from the date of this declaration until I notify you otherwise

as Gift Aid donation.

\*delete as appropriate

❖ You must pay an amount of income tax or capital gains tax equal to the tax we reclaim on your donation. Please remember to inform us of any changes in your tax status.

**REGULAR GIVING BY BANKERS ORDER**

I would like to make a regular donation ☐  
(please complete the Bankers Order below)

To the Manager (Bank name and address) -----

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-----Postcode -----

Please pay to Footwear Friends at NAT-WEST BANK plc.,  
Addiscombe Branch, 209 Lower Addiscombe Road, Croydon,  
CR0 6RB (51-50-02) Account No. 95506381

£ ----- amount in words -----

each month/quarter/year until further notice and debit my

Account Number -----

Bank Sort Code -----

Starting on -----

Account name -----

Address -----

-----

-----

-----Postcode -----

Signature -----

THANK YOU. EVERY PENNY HELPS

See over

**The following information may be useful to those wishing to make a bequest to the  
Footwear Friends**

### **FOR A RESIDUARY BEQUEST**

"I give the residue of my estate to Footwear Friends of PO Box 77403, London SW9 1FG for its charitable purposes. I further direct that the receipt of the Honorary Treasurer or other proper officer of Footwear Friends for the time being shall be a full and sufficient discharge for the said legacy."

### **FOR A SPECIFIC BEQUEST**

"I give the sum of £ ..... (or the item specified) to Footwear Friends of PO Box 77403, London SW9 1FG for its charitable purposes. I further direct that the receipt of the Honorary Treasurer or other proper officer of Footwear Friends for the time being shall be a full and sufficient discharge for the said legacy."

### **CODICILS**

You should consult your Solicitor over the precise wording that is appropriate for your Codicil, but here is an example of the wording of a typical Codicil:

"I (full name) of (address) DECLARE this to be a First Codicil to my Will dated (date in words).

1. I GIVE the sum of (amount in words and figures) to Footwear Friends of PO Box 77403, London SW9 1FG for its charitable purposes. I further direct that the receipt of the Honorary Treasurer or any other proper officer of Footwear Friends for the time being shall be a full and sufficient discharge for the said legacy.
2. IN ALL other respects I confirm my said Will.

IN WITNESS whereof I have hereunto set my hand this (date in words).

SIGNED by the said (name) the Testator as and for the First Codicil to his (her) said Will dated the (date) in the presence of us both being present at the same time who at his (her) request presence and in the presence of each other have hereunto subscribed our names and witnesses:

Signature of Testator and two Witnesses."

**THE FOOTWEAR BENEVOLENT SOCIETY  
FOOTWEAR FRIENDS**

**EXECUTIVE COMMITTEES'**

**ANNUAL REPORT**

**AND**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 JANUARY 2021**



## **THE FOOTWEAR BENEVOLENT SOCIETY – FOOTWEAR FRIENDS**

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# THE FOOTWEAR BENEVOLENT SOCIETY – FOOTWEAR FRIENDS

## REPORT OF THE EXECUTIVE COMMITTEE FOR THE YEAR ENDED 31 JANUARY 2021

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### Legal and administrative details

<b>Registered Name</b>	The Footwear Benevolent Society
<b>Working Name</b>	Footwear Friends
<b>Charity Registration Number</b>	222117
<b>Registered Office and Principal Place of Operation</b>	Footwear Benevolent Society PO Box 77403 London SW9 1FG

<b>Independent Examiners</b>	MHA MacIntyre Hudson Moorgate House 201 Silbury Boulevard Milton Keynes MK9 1LZ
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<b>Bankers</b>	Natwest Bank plc. Addiscombe 209 Lower Addiscombe Road Croydon Surrey CR0 6RB
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### Executive Committee

Members of the Executive Committee are as details below:

<b>President</b>	D.E. Lockyer
<b>Chairman</b>	D.E. Lockyer
<b>Honorary Treasurer</b>	M. Collins
<b>Ordinary Members</b>	T.C. Cooper J.A. Donaghue (Representative Worshipful Company of Pattenmakers) D. Gyves H. Jacobson M. Jeffery P.J. Lamble (Representative Worshipful Company of Cordwainers) J.G.F. Morgan S O'Hare M. Watson-Smith L. Reece-Raybould S. Reason (Elected 4 February 2021 and was a co-opted member up until this date)

## **THE FOOTWEAR BENEVOLENT SOCIETY – FOOTWEAR FRIENDS**

### **REPORT OF THE EXECUTIVE COMMITTEE FOR THE YEAR ENDED 31 JANUARY 2021 (CONTINUED)**

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The Executive Committee has the pleasure of presenting its annual report and financial statements for the year ended 31 January 2021.

#### **Structure, governing and management**

The charity is governed by the Constitution, as adopted on 14 February 2002, and its affairs are under the control of an Executive Committee. The constitution was amended and approved at the AGM held on 22 October 2020 to allow for virtual meetings in future. A special resolution was passed before the meeting to allow Trustees to participate in the meeting which approved the amendment via Zoom

The Executive Committee should consist of not less than seven or more than twelve members made up as follows:

- a) the President;
- b) the Chairman;
- c) the Honorary Treasurer;
- d) not less than four and not more than nine members elected at the Annual General Meeting who shall hold office from the conclusion of that meeting.

The Executive Committee may in addition appoint not more than three co-opted members. Each appointment of a co-opted member shall be made at a meeting of the Executive Committee. The Executive Committee may terminate the membership of a co-opted member at any ordinary meeting.

Members of the Executive Committee are Trustees of the charity. The Chairman and President are responsible for the appointment of new Trustees. The aim is to ensure a broad mix of skills, experience and backgrounds on the committee. When a vacancy arises a discussion is held with the current Trustees to identify individuals in the trade known to have an interest in the charity who are then approached to confirm their willingness to become involved. They are invited to attend the next AGM to gain a better understanding of how the charity operates before a final decision is made.

The President of the Society is elected every two years by resolution at the Annual General Meeting of the Society.

All the elected members of the Executive Committee shall retire from office together at the end of the next Annual General Meeting after the date on which they came to office but they may be re-elected.

The proceedings of the Executive Committee shall not be invalidated by any vacancy among their number or by any failure to appoint or any defect in the appointment or qualification of a member.

#### **Risk management**

The Executive Committee have assessed the major risks to which the charity is exposed, in particular those related to the operations and finances of the Society, and are satisfied that the systems are in place to mitigate our exposure to those risks. The main risk to the Society is considered to be the potential loss in the value of investments. An Investment Committee has been set up to control this risk.

#### **Objectives and activities**

The Society is a registered charity whose object is to relieve in cases of need, hardship or distress, persons who are or have been engaged in the footwear trade, their widows, widowers and other dependants. Grants are only paid to such persons under such circumstances.

The Society seeks to improve the quality of life of its beneficiaries by the provision of financial assistance in the form of grants. In reviewing the aims and objectives of the Society and in planning future activities the Executive Committee have referred to the guidance issued by the Charity Commission on public benefit. The Society is constantly looking to increase the number of beneficiaries it supports.

## THE FOOTWEAR BENEVOLENT SOCIETY – FOOTWEAR FRIENDS

### REPORT OF THE EXECUTIVE COMMITTEE FOR THE YEAR ENDED 31 JANUARY 2021 (CONTINUED)

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#### Achievements and performance

The last year has been one of the most difficult that the charity, which has been in existence for 185 years, has ever experienced. The arrival of COVID-19 in the Spring of 2020 with the subsequent restrictions on meetings, gatherings and social events of all kinds meant that all our fundraising events had to be cancelled with a consequent impact on our income generating activities. In addition, the reduction or cancellation of dividends by a large number of companies had an adverse impact on the income from our investments in Charifund and the difficulty in collecting rents led to reductions in the income from our Charity Property Fund investments. Against this very difficult background it is pleasing to report that we were still able to help 142 beneficiaries and in total distribute funds of £63,774 to those in need. As manufacturing declines, we are receiving increasing numbers of requests for help from people employed in the retail sector of the industry who are typically much younger than our traditional beneficiaries and are often single women with young families. We are grateful to the ongoing financial support from a long list of companies and individuals without whom we would not be able to continue working in the way that we do.

It was necessary to amend our constitution to allow for virtual meetings and I am very appreciative of the help from the British Footwear Association which enabled us to convene meetings using Zoom. We held our first ever AGM virtually. It went well and out of adversity has come a way of working for the future which will both save time and expense for our Trustees. Throughout much of the year we were not able to use our office and I am grateful for the way that our secretary, Gabi O'Sullivan, worked from home with occasional trips to the office to review files, collect mail etc to keep our administration running smoothly. We took the decision early on to furlough our other employee, and took advantage of the Government furlough funding scheme to cover most of the costs. The employee remained on furlough from April until the end of December. With the enforced change in working arrangements, I took the opportunity to review the way our charity operates and have made a number of changes to the way we will operate in future. Gabi has agreed to work from home and as a result we will not renew our office lease when it expires in April 2021. To facilitate working from home we have bought a laptop computer and mobile phone and will be able to cancel the expensive telephone and internet services which are part of our Workspace agreement at the same time as our lease expiry. I also took the difficult decision to end the employment contract of the furloughed employee who had given excellent service to the charity for more than 15 years. Changes to the furlough scheme in November meant that we were not able to ask the furloughed employee to work their notice period whilst she was on furlough and therefore her employment ended on December 31st. In total once all the changes are in place our annualised running costs will reduce by around £20,000.

As mentioned above our traditional fundraising events had to be cancelled. Notable amongst these was the International Golf Championship of the Shoe and Leather Trades which was celebrating its 75th anniversary and was cancelled for the first time in its history. The charity committee of the championship did dig deep into their financial reserves and gave Footwear Friends a donation of £3,000 for which we are very thankful. In total over the years the event has been running more than £500,000 has been raised for the benefit of Footwear and Leather industry charities, a magnificent contribution. We also received support from the London Shoe & Leather Trades Golfing Society who managed to hold an event in the short window of time that playing Golf was permitted and donated £535 to our funds.

As mentioned above the income received from our investments suffered a significant reduction with income from the two investments decreasing by £10,358 on the previous year. The Property Fund is extremely well managed and has negligible exposure to High Street and Shopping Centre retail which have been the worst effected by tenant collapse, CVA processes and rent deferrals and is instead biased towards large warehouse space, supermarket occupiers and Blue Chip office clients all of whom continued to pay rent as contracted. It has consistently operated with vacancy levels of under 5% and holds properties with an average lease length of more than 11 years. It has been a top quartile performer in its sector for many years. The M & G Charifund suffered a significant decline in its value along with the rest of the market at the start of the pandemic but has recovered strongly in the 4th quarter and has consistently performed above the average of funds in the UK Equity Income sector. We are currently undertaking a review of our investments with particular emphasis on their geographic spread.

Income from donations from companies and individuals held up well. A full list of those donating more than £250 is provided later in the report. I would like to make specific reference to Micro-Pak Ltd who donated a magnificent total of £12,500, The Rubin Foundation Charitable Trust who donated £5,000, the two Livery Companies associated with the footwear industry, the Cordwainers and Pattenmakers who donated £4,000 and £1,800 respectively, the Dr Martens Foundation who donated £2,500, the Dune Group who donated £1,000 and three of our current and former Trustees, Harvey Jacobson, Richard Paice and Robert Hollidge who donated £1,200, £500, and £500 respectively.



## **THE FOOTWEAR BENEVOLENT SOCIETY – FOOTWEAR FRIENDS**

### **REPORT OF THE EXECUTIVE COMMITTEE FOR THE YEAR ENDED 31 JANUARY 2021 (CONTINUED)**

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#### **Achievements and performance (continued)**

Finally, a special mention to our secretary Gabi O’Sullivan who, following on the success of her project making face masks for the British Legion, raised over £300 making and selling masks for Footwear Friends, more than £1,000 from a personal 2.6 Challenge and persuaded Lambeth Council to part with £5,000 from their COVID-19 Support Fund to help organisations located in their borough who were suffering from significantly reduced income during the pandemic. I would also like to mention the Composite Christmas Greetings Card which, thanks to the generous donation of space in their magazine by Drapers and the support of many companies and organisations, this year raised £4,670, the best result for many years.

We took the decision, because of the difficulties associated with the restrictions on meetings and gatherings, to cancel our Annual Awards event. We hope to be able to resume this in 2021 but much will depend on the progress of the pandemic. Similar difficulties are likely to arise with our other events so we are thinking of how we can develop other ideas to raise funds.

I would like to thank all the Trustees for their help and support during the year and welcome Sharon Reason as a full Trustee who has been very supportive of our activities since she started as a co-opted member in 2018. I would also like to extend particular thanks to Justin Morgan who quickly reviews every request for help and recommends an appropriate course of action to the other Trustees.

We appreciate that 2021/22 will be another challenging year for the charity but as noted above we have taken steps to reduce our costs and are determined to continue the work supporting individuals from all sectors of the footwear trade who have fallen on hard times which has been the objective of the charity for 185 years.

#### **Financial review**

The results for the year, the financial position of the charity and the transfer to reserves are shown in the annexed accounts.

#### **Reserves policy**

It is the view of the Executive Committee that calls on the Society’s funds will continue to increase over the years ahead in particular due to an ageing population.

Free reserves (unrestricted funds) represent the working capital of the charity, available to support short and medium term plans to meet the objectives of the Society. The Executive Committee considers the fixed assets to be long term capital, to safeguard against unexpected decreases in income or increases in expenditure.

In the opinion of the trustees, all reserves are unrestricted funds which stands at £1,286,495 (2020: £1,405,493).

#### **Investment powers**

The Executive Committee shall have unrestricted power to invest the monies of the Society at their discretion in any investments of whatsoever nature and wherever they may determine including the purchase of any property whether moveable or immovable.

## **THE FOOTWEAR BENEVOLENT SOCIETY – FOOTWEAR FRIENDS**

### **REPORT OF THE EXECUTIVE COMMITTEE FOR THE YEAR ENDED 31 JANUARY 2021 (CONTINUED)**

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#### **Investment powers (continued)**

The Committee shall have the unrestricted power of changing investments from time to time and shall have, in respect of any immovable property, unrestricted powers of disposition, management, repair building development, equipment, furnishing and improvement and may, in that behalf make any outlay out of the monies of the Society. Any or all of these powers may be delegated to an Investment Committee.

#### **Investment policy**

The policy for investments is to maintain the value of the investment portfolio and to realise a modest income with minimum risk. All investments are held in units specifically designed for charitable investment, which meet the terms of the policy.

#### **Specific restrictions**

All monies received by the Society (unless specifically directed to be applied in any particular way) and the interest on investments, and where necessary any part of the capital thereof, shall be applied in carrying on the objects of the Society in accordance with the Constitution.

#### **Insurance**

The charity has indemnity insurance in place to cover the liability of the Executive Committee members for any liability that may attach to them in respect of negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Association. The cost of the insurance is included in governance costs, £425 (2020 - £411).

#### **Responsibilities of the Executive Committee**

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 and 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 their 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 (FRS 102);
- 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.

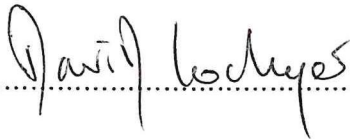
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Constitution. 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.


**THE FOOTWEAR BENEVOLENT SOCIETY – FOOTWEAR FRIENDS**

**REPORT OF THE EXECUTIVE COMMITTEE FOR THE YEAR ENDED 31 JANUARY 2021  
(CONTINUED)**

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Approved by the Executive Committee and signed on behalf of the Executive Committee on 31/6/2021

D.E. Lockyer .....  ..... (Chairman)

M. Collins .....  ..... (Honorary Treasurer)

# THE FOOTWEAR BENEVOLENT SOCIETY – FOOTWEAR FRIENDS

## INDEPENDENT EXAMINERS' REPORT TO THE EXECUTIVE COMMITTEE OF THE FOOTWEAR BENEVOLENT SOCIETY

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### Independent examiner's report to the Trustees of The Footwear Benevolent Society - Footwear Friends

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 January 2021 which are set out on pages 8 to 19.

### Responsibilities and basis of report

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

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 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

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

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

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



**Robert John Butler FCA**

*The Institute of Chartered Accountants in England and Wales*

MHA MacIntyre Hudson, Moorgate House, 201 Silbury Boulevard, Central Milton Keynes, MK9 1LZ

Date: 15/6/2021



# THE FOOTWEAR BENEVOLENT SOCIETY – FOOTWEAR FRIENDS

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JANUARY 2021

	Note	Total 2021 £	Total 2020 £
<b>Incoming Resources</b>			
<b>Incoming from</b>			
Donations and legacies	2	32,044	43,354
Activities for generating funds	3	18,495	30,515
Investment income	4	51,001	61,359
Other operating income	5	10,091	-
<b>Total Income</b>		<b>111,631</b>	<b>135,228</b>
<b>Expenditure</b>			
<b>Costs of raising funds</b>			
Fundraising costs	3	14,290	23,516
Expenditure on charitable activities	6	82,827	85,568
Governance costs	8	17,840	15,488
<b>Total expenditure</b>		<b>114,957</b>	<b>124,572</b>
<b>Net incoming/(outgoing) resources before gains and losses on investments</b>		<b>(3,326)</b>	<b>10,656</b>
<b>Net gains and losses on investments</b>			
Unrealised (loss)/gain on investment assets	13	(115,672)	43,814
<b>Net movement in funds</b>		<b>(118,998)</b>	<b>54,470</b>
Total funds brought forward at 1 February 2020		1,405,493	1,351,023
<b>Total funds carried forward at 31 January 2021</b>	<b>22</b>	<b>£1,286,495</b>	<b>1,405,493</b>

The notes on pages 11 to 19 form part of these financial statements.

# THE FOOTWEAR BENEVOLENT SOCIETY – FOOTWEAR FRIENDS

## INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 JANUARY 2021

	2021		2020	
Contributions	£	£	£	£
Net fundraising events	18,495		18,971	
Donations and Employee Collections	31,992		42,755	
Gift Aid and Deeds of covenant (net)	52		599	
Income from Investments	50,856		61,007	
Interest – Bank Deposits	145		352	
Other operating income	10,091		-	
		111,631		123,684
Disbursements to beneficiaries	(63,774)		(69,605)	
Administration expenses	(51,183)		(43,423)	
		(114,957)		(113,028)
Loss on disposal of investments		-		-
Surplus/deficit transferred to general accumulated fund		(£3,326)		£10,656
<b>General accumulated fund</b>				
Balance at 1 February 2020	1,405,493		1,351,023	
Transfer from income & expenditure account	(3,326)		10,656	
(Decrease)/Increase in market value of listed investments at 31 January 2021	(115,672)		43,814	
		£1,286,495		£1,405,493

This Income and Expenditure Account does not form part of the statutory accounts but is a summary of information derived from the Statement of Financial Activities on page 8 of these accounts.

This Income and Expenditure Account shows income net of costs for fundraising events, which is documented in note 3 of these accounts.

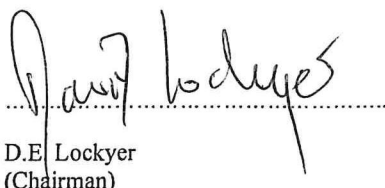
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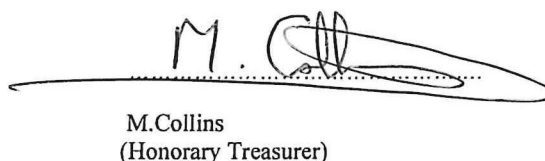
# THE FOOTWEAR BENEVOLENT SOCIETY – FOOTWEAR FRIENDS

## BALANCE SHEET – 31 JANUARY 2021

		2021	2020
		£	£
<b>Fixed Assets</b>			
Tangible assets	12	3,172	1,274
Investments	13	<u>1,190,686</u>	<u>1,306,358</u>
		1,193,858	1,307,632
<b>Current Assets</b>			
Debtors	14	14,807	15,357
Cash at bank - deposit accounts		80,745	82,075
- current accounts		<u>3,265</u>	<u>3,004</u>
		98,817	100,436
<b>Creditors: amounts falling due within one year</b>			
Creditors	15	<u>6,180</u>	<u>2,575</u>
<b>Net current assets</b>		<u>92,637</u>	<u>97,861</u>
<b>Net assets</b>		<u>£1,286,495</u>	<u>£1,405,493</u>
<b>Funds</b>			
Unrestricted funds	22	<u>£1,286,495</u>	<u>£1,405,493</u>

Approved by and signed on behalf of the Executive Committee on 31/6/2021

  
D.E. Lockyer  
(Chairman)

  
M. Collins  
(Honorary Treasurer)

The notes on pages 11 to 19 form part of these financial statements.

# THE FOOTWEAR BENEVOLENT SOCIETY – FOOTWEAR FRIENDS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2021

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### 1. Accounting Policies

#### (a) Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments, which are included at market value. The financial statements have been prepared in accordance with the requirements of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP FRS 102), with the Charities Act 2011 and applicable regulations.

The financial statements are presented in £ sterling, the functional currency, rounded to the nearest £1.

#### (b) Going Concern

In response to the COVID-19 pandemic, the Trustees have performed a robust analysis of forecast future cash flows taking into account the potential impact on the charity of possible future scenarios arising from the impact of COVID-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact.

Based on these assessments and having regard to the resources available to the charity, the Trustees have concluded that there is no material uncertainty arising from the COVID-19 pandemic and that they can continue to adopt the going concern basis in preparing the annual report and accounts.

#### (c) Income recognition

All income resources including donations that provide core funding or are of a general nature are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability.

Incoming resources from tax reclaims are included in the Statement of Financial Activities at the same time as the gift to which they relate.

Incoming resources from fundraising activities are included in the Statement of Financial Activities. Where such income has related expenditure, the incoming resources and related expenditure are reported gross in the Statement of Financial Activities. Such income is only deferred where income is received prior to the year in which an event takes place.

Investment income is recognised in the financial statements on an accruals basis, any realised and unrealised gains or losses on the investments are included in the Statement of Financial Activities.

#### (d) Expenditure recognition

All expenditure is accounted for on an accruals basis where there is a legal or constructive obligation committing the charity for that expenditure, and has been classified under headings that aggregate all costs relating to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

Cost of raising funds includes fundraising costs and investment management costs.

Charitable activities include expenditure which is incurred in furtherance of the charity's objectives. This includes grants to beneficiaries which are accounted for when they are payable. The notification to the recipient provides reasonable expectation that they will receive a grant. For all 'one off' grants not payable by the year-end, consideration is given to the provisions of FRS102 and whether the grants will be paid in the future. Provisions and disclosures are then made as necessary.

Governance costs include the costs of preparation of statutory accounts, the costs of Trustee meetings and costs in connection with the administration of the charity and all other constitutional matters. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources.



## THE FOOTWEAR BENEVOLENT SOCIETY – FOOTWEAR FRIENDS

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2021 (CONTINUED)

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#### 1. Accounting Policies (continued)

##### (e) Irrecoverable VAT

As the charity is not registered for value added tax (VAT), all input VAT incurred on expenses is irrecoverable. Amounts in the Statement of Financial Activities are therefore shown gross of VAT.

##### (f) Operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities on a straight line basis over the period in which the cost is incurred.

##### (g) Tangible fixed assets and depreciation

Tangible fixed assets costing more than £100 are capitalised and are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment 15% per annum of net book value

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. Impairment losses are reported in the Statement of Financial Activities as excess depreciation charges.

##### (h) Investments

Investments are initially recognised at the transaction cost. They are subsequently stated in the financial statements at their market value on the balance sheet date using the closing quoted market price. All changes in value in the year, whether realised or unrealised, are reported in the Statement of Financial Activities.

The charity does not acquire complex financial instruments.

##### (i) Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

##### (j) Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

##### (k) Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

## THE FOOTWEAR BENEVOLENT SOCIETY – FOOTWEAR FRIENDS

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2021 (CONTINUED)

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#### **(k) Funds structure**

The General Fund is an unrestricted fund, which may be used by the Executive Committee in any way designed to meet the charity's objectives.

The Executive Committee may make such transfers from unrestricted funds to any fund type as they consider necessary to aid with the running and the future prospects of the charity.

#### **(l) Tax**

The charity is an exempt charity within the meaning of Schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and meets the definition of a charitable company for UK corporation tax purposes.

#### **(m) Pension costs**

The charity operates a defined contribution pension scheme for its employees. Expenses are recognised in the Statement of Financial Activities as the contributions fall due.

#### **(n) Government grants**

The Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of Financial Activities at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Financial Activities in the same period as the related expenditure.

#### **(o) Redundancy costs**

Redundancy costs are recognised in the Statement of Financial Activities in the period in which they relate to. Amounts not paid are shown in accruals as a liability on the Balance Sheet.

# THE FOOTWEAR BENEVOLENT SOCIETY – FOOTWEAR FRIENDS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2021 (CONTINUED)

### 2. Voluntary income

	2021 £	2020 £
Donations	31,702	42,755
Other	290	-
Covenants and gift aid	52	599
	<u>32,044</u>	<u>43,354</u>

### 3. Activities for generating funds

2021	Funds Generated £	Cost of raising funds £	Net Income £
Footwear Friends event	-	-	-
Golf Days	11,350	-	11,350
Other fundraising events	7,145	-	7,145
	<u>18,495</u>	<u>-</u>	<u>18,495</u>
Staff costs (note 11)	-	(9,677)	(9,677)
Property expenses	-	(2,789)	(2,789)
Support costs	-	(1,824)	(1,824)
	<u>18,495</u>	<u>(14,290)</u>	<u>4,205</u>
2020	Funds Generated £	Cost of raising funds £	Net Income £
Footwear Friends event – Crypt on the Green	17,687	(11,544)	6,143
Golf Days	5,350	-	5,350
Other fundraising events	7,478	-	7,478
	<u>30,515</u>	<u>(11,544)</u>	<u>18,971</u>
Staff costs (note 11)	-	(7,899)	(7,899)
Property expenses	-	(2,928)	(2,928)
Support costs	-	(1,145)	(1,145)
	<u>30,515</u>	<u>(23,516)</u>	<u>6,999</u>

### 4. Investment income

	2021 £	2020 £
Dividend income	50,856	61,007
Bank interest	145	352
	<u>51,001</u>	<u>61,359</u>

### 5. Other operating income

	2021 £	2020 £
Job retention scheme government grant	5,091	-
Covid support grant	5,000	-
	<u>10,091</u>	<u>-</u>

# THE FOOTWEAR BENEVOLENT SOCIETY – FOOTWEAR FRIENDS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2021 (CONTINUED)

### 6. Charitable activities

	2021 £	2020 £
Relief of need, hardship and distress:		
Grants to beneficiaries (note 7)	63,774	69,605
Staff costs (note 11)	12,903	10,532
Property expenses	3,719	3,904
Support costs	2,431	1,527
	<u>82,827</u>	<u>85,568</u>

### 7. Grants to beneficiaries

	2021 £	2020 £
Half Yearly Allowances	15,520	15,640
December Bonus Grants	3,680	4,680
Cordwainers Christmas Grants	4,000	3,000
Mid Year Grants	18,000	17,123
Christmas Grants	18,615	18,670
One Off Grants	3,959	10,492
Holiday Grants	-	-
	<u>63,774</u>	<u>69,605</u>

The total number of beneficiaries assisted in the year was 142 (2020 – 151).  
All grants were paid to individuals to relieve cases of need, hardship and distress.

### 8. Governance costs

	2021 £	2020 £
Staff costs (note 11)	9,677	7,899
Property expenses	2,789	2,928
Independent Examination Fee	2,400	2,400
Accountancy	480	480
Support costs	1,824	1,145
Depreciation	245	225
Office and trustees indemnity insurance	425	411
	<u>17,840</u>	<u>15,488</u>

### 9. Trustees remuneration

The members of the Executive Committee give freely of their time and expertise.

During the year, the members of the Executive Committee neither received nor waived any emoluments (2020 - £nil).

### 10. Trustees expenses

During the year, the members of the Executive Committee received reimbursements of £nil for expenses incurred in performing their duties (2020 - £nil).



# THE FOOTWEAR BENEVOLENT SOCIETY – FOOTWEAR FRIENDS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2021 (CONTINUED)

### 11. Staff costs

The average number of persons employed by the charity during the year was 2 (2020 – 2). Both employees work part time hours and provide support services to the charitable activities of the Association and to its governance.

The aggregate payroll costs of these persons were as follows:

	2021 £	2020 £
Wages and salaries	32,257	26,330
Social security	-	-
Pension	512	439
	<u>32,769</u>	<u>26,769</u>

Included in wages and salaries costs is an amount for £5,791 which was a redundancy payment made to an employee who had their contract of employment terminated after 15 years of service. The payment was made through the payroll in December 2020 and none of this amount was still due to the former employee at the year end date 31 January 2021.

The charity considers its key management personnel to comprise the trustees, as members of the Executive Committee. The trustees received no remuneration or expenses in the year.

Allocation of staff time is based on the time spent on each activity, costs of raising funds £9,677 (2020 - £7,899), charitable activities £12,903 (2020 - £10,532) and governance costs £9,677 (2020 - £7,899).

### 12. Tangible fixed assets

	Fixtures, Fittings and Equipment £
<b>Cost</b>	
At 1 February 2020	5,180
Additions	<u>2,143</u>
At 31 January 2021	<u>7,323</u>
<b>Depreciation</b>	
At 1 February 2020	3,906
Charge for the year	<u>245</u>
At 31 January 2021	<u>4,151</u>
<b>Net Book Value</b>	
At 31 January 2021	<u>3,172</u>
At 31 January 2020	<u>1,274</u>

# THE FOOTWEAR BENEVOLENT SOCIETY – FOOTWEAR FRIENDS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2021 (CONTINUED)

### 13. Fixed asset investments

	2021 £	2020 £
Market value at 1 February 2020	1,306,358	1,262,544
Additions	-	-
Disposals	-	-
Unrealised gain/(loss)	(115,672)	43,814
Market value at 31 January 2021	1,190,686	1,306,358
Historical cost at 31 January 2021	960,308	960,308

#### Investments analysed as:

Listed investments	1,190,686	1,306,358
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#### Details of listed investments:

	2021 Value £	2020 Value £
Equities Fund for Charities (Charifund)	612,754	713,133
Charities Property Fund	577,932	593,225
	1,190,686	1,306,358

All investments are carried at their market value and are traded on quoted public markets.  
Investments are held in the unrestricted fund.  
Year end market values are provided by the investment holder.

### 14. Debtors

	2021 £	2020 £
Prepayments	824	170
Accrued income	11,537	12,207
Other debtors	2,446	2,980
	14,807	15,357

### 15. Creditors – amounts falling due within one year

	2021 £	2020 £
Accruals	2,400	2,415
Other creditors	3,780	160
	6,180	2,575

## THE FOOTWEAR BENEVOLENT SOCIETY – FOOTWEAR FRIENDS

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2021 (CONTINUED)

#### 15. Creditors – amounts falling due within one year (continued)

	£
<b>Deferred income</b>	
Deferred income at 1 February 2020	160
Resources deferred during the year	3,620
Amounts released from previous years	-
Deferred income at 31 January 2021	<u>3,780</u>

Income which has been received during the financial year which relates to after the year end date of 31 January 2021 has been recognised on the balance sheet as deferred income.

#### 16. Cost allocation

The trustees decided on the following cost split for property expenses and charitable support costs.

	2021 £	2020 £
Property costs	9,297	9,758
Support costs	<u>6,078</u>	<u>3,817</u>
	<u>15,375</u>	<u>13,575</u>

Allocation of property costs is based on the time spent using the property for each activity, costs of raising fund £2,789 (2020: £2,927), charitable activities £3,719 (2020: £3,904) and governance costs £2,789 (2020: £2,927).

Allocation of support costs is based on the time spent using the support for each activity, costs of raising fund £1,823 (2020: £1,145), charitable activities £2,431 (2020: £1,527) and governance costs £1,824 (2020: £1,145).

#### 17. Provisions

At 31 January 2021 the charity had agreed to pay grants totalling £nil (2020 - £nil) dependent on further criteria being met. It was the opinion of the Executive Committee, that the possibility of these grants being paid is probable. Therefore, a provision has been recognised for this amount in these accounts (Note 14).

#### 18. Analysis of net assets between funds

	Tangible fixed assets £	Investments £	Net current assets £	Total £
Unrestricted funds	3,172	1,190,686	92,637	1,286,495
	<u>3,172</u>	<u>1,190,686</u>	<u>92,637</u>	<u>1,286,495</u>

#### 19. Controlling party

The charity is jointly controlled by the Executive Committee.

## THE FOOTWEAR BENEVOLENT SOCIETY – FOOTWEAR FRIENDS

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2021 (CONTINUED)

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#### 20. Related party transactions

Various members of the Executive Committee, and the organisations that they represent, made donations to the charity during the year, or participated in fundraising events specifically for the benefit of the charity.

#### 21. Operating Lease Commitments

At 31 January 2021 the charity had future minimum lease payments under non-cancellable operating leases payable as follows:

	2021 £	2020 £
Within one year	2,251	8,682
Within 2-5 Years	-	2,251
	<u>2,251</u>	<u>10,933</u>

#### 22. Funds

All funds carried forward are unrestricted.



## LIST OF CONTRIBUTORS 2020/2021

We thank all those listed below and in addition all those organisations and individuals who have given under £ 250. We also appreciate that in addition to the donations that are listed below many companies and individuals will have contributed to other fundraising events held during the year. Our thanks go to all these contributors.

### DONATIONS BY COMPANIES AND ORGANISATIONS OF £ 250 AND ABOVE

BLC Leather Technology	£ 500.00	Pentland Brands Plc.	£ 250.00
BRIFFA	£ 250.00	Prima Solutions Ltd.	£ 250.00
British Footwear Association	£ 500.00	Rubin Foundation Charitable Trust	£ 5,000.00
Clarks International	£ 250.00	Sanders & Sanders Ltd.	£ 382.00
Dr Martens Foundation	£ 2,500.00	SATRA	£ 320.00
Dune Group, The	£ 1,000.00	Skechers UK & Ireland	£ 250.00
Footsure South Eastern Ltd.	£ 500.00	Start-rite Shoes Ltd.	£ 500.00
HB Shoes	£ 264.00	Stuart Marsh Group, The	£ 250.00
ISA Holdings Ltd.	£ 500.00	T & A Footwear Ltd.	£ 500.00
Jacobson, H.	£ 1,200.00	Timpson Ltd.	£ 500.00
Jacobson Group, The	£ 300.00	Watts, T.	£ 250.00
Jeffery-West Ltd.	£ 300.00	Wm Lamb Group	£ 500.00
Lambeth Charitable Organisation Fund	£ 5,000.00	Worshipful Company of	
Lilley Benevolent Trust, The	£ 1,000.00	Cordwainers, The	£ 4,000.00
Lockyer, D.	£ 250.00	Worshipful Company of	
Micro-Pak Ltd	£ 12,500	Pattenmakers, The	£ 1,800.00
Pavers Ltd.	£ 250.00		

### FUNDRAISING EVENTS

2.6 Challenge	£ 1,899.14
BFA Christmas Jumper Day 2019	£ 26.50
Christmas Masks	£ 303.00
Composite Christmas Card	£ 4,670.00
Footwear Industry Awards	£ 251.47
International Golf Championship of the Shoe Leather and Allied Trades	£ 3,000.00
London Shoe & Leather Trades Golfing Society	£ 535.00

### LEGACIES

The late F. Steiner	£ 43.22
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