THE FASHION & TEXTILE CHILDREN'S TRUST

England & Wales · Charity number 257136

Details

Other names	THE TEXTILE INDUSTRY'S CHILDREN'S TRUST
Status	Registered
Legal form	Other
Registered	1968-10-22
Register	View on the Charity Commission register

Contact

Address	Fashion & Textile Children's Trust 44 Southampton Buildings Holborn London WC2A 1AP
Phone	03001239002
Email	anna@ftct.org.uk
Website	www.ftct.org.uk

Activities

Objects: A) THE EDUCATION OF CHILDREN OF ANY PERSONS PRESENTLY OR FORMERLY EMPLOYED IN THE TEXTILE AND ALLIED TRADES WHO SHALL BE IN NEED OF FINANCIAL ASSISTANCE. B) THE RELIEF OF POVERTY AMONG CHILDREN OF ANY PERSONS PRESENTLY OR FORMERLY EMPLOYED AS AFORESAID. (FOR FURTHER DETAILS SEE CLAUSE 1 OF DECLARATION OF TRUST).

Activities: The Fashion & Textile Children's Trust offers grants to families working in the UK fashion or textile industry. Our grants cover the cost of essential items including school uniform, bedding and specialist items including mobility equipment. We also provide funding towards the cost of educational support, therapies and counselling, where no state funding is available.

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Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations
- **What:** Education/training, Disability, The Prevention Or Relief Of Poverty
- **Who:** Children/young People

Geography

- **Area of benefit:** NATIONAL
- Northern Ireland
- Scotland

Finances

Period end	Income	Expenditure	Assets	Employees
2025-06-30	£402,152	£827,341	-	-
2024-06-30	£426,572	£848,036	-	-
2023-06-30	£359,123	£812,146	-	-
2022-06-30	£315,054	£698,857	-	-
2021-06-30	£345,916	£823,460	-	-

Trustees

Name	Role	Appointed
Alia Gerar		2024-01-23
Andrew Woodward		2024-01-23
Ann Campbell		2024-01-23
Anne SECUNDA		2022-04-19
DAVID SHEPHERD		
Justin Hampshire		2025-10-22
MIKE TROTMAN		
Phil Cooke		2024-01-23
Robert Bready		2018-10-30
Ryan Becker		2014-10-22

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THE FASHION & TEXTILE CHILDREN'S TRUST

England & Wales - Charity number 257136

Accounts



2024–2025

Trustees' Report & Financial Statements

for the year ending June 2025

fashion & textile children's trust.

A lifeline for families since 1853

REFERENCE AND ADMINISTRATIVE DETAILS

Name:	The Fashion & Textile Children's Trust
Registered Charity Number:	257136 (England and Wales)
Principal Office:	44 Southampton Buildings, London WC2A 1AP E-Mail: anna@ftct.org.uk Website: www.ftct.org.uk Telephone: 0300-123-9002 / M: 07753 605367
Trustees at 30 June 2025:	Justin Hampshire, (Chair of Trustees) - Appointed 22/10/2025 Group Chief Exec TFG Brands London Mike Trotman, (Chair, Finance Committee) Former CFO Tom Dixon Group David Shepherd, (Cases Committee) Former COO Trading, Arcadia Ryan Becker, Managing Director, UK Visual Immersion Robert Bready, Freelance Executive Consultant Anne Secunda, Executive Consultant Phil Cooke, Former Chief Product Officer, River Island Alia Gerar (Cases Committee). Scaling & Investment Partner Andrew Woodward, NED I Board Advisor I Former Chief Marketing Officer, HUSH Ann Campbell, Interim and contract senior communications. Trustee I NED I Mentor.
Chief Executive:	Anna Pangbourne
Bankers:	Barclays Business 1st Floor, 27 Soho Square London W1D 3QR
Solicitors:	FieldFisher Riverbank House 2, Swan Lane London EC4R 3TT
Auditors:	Saffery LLP Westpoint Peterborough Business Park Lynch Wood Peterborough PE2 6FZ
Investment Managers:	Quilter Cheviot Investment Management Senator House, 85 Queen Victoria Street, London, EC4V 4AB

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CHAIR'S STATEMENT
FOR THE YEAR ENDED 30 JUNE 2025

I am delighted to introduce the Annual Report and Accounts for 2025.

Over the past year, Fashion & Textile Children's Trust (FTCT) has continued to deliver vital financial support to 783 children, distributing £386,269 to families working in the British fashion and textile industry, across the UK. These grants were a lifeline for many, helping them navigate severe financial hardship brought on by sudden challenges such as bereavement, illness, or the breakdown of relationships. When these challenges financially impact the wellbeing of the children in the family, our grants play a vital role in helping the parent to cover the cost of essential items.

Grants may cover mobility equipment for a child, ensuring they can fully access both school and home, as well as specialist equipment like a hoist for those with limited mobility. Support can also include essential items such as school uniforms, PE kits, bedroom furniture, and study resources like a laptop.

Families across the industry continue to face tough circumstances. We saw a growing number needing urgent support to rebuild their lives after being rehoused—often due to domestic abuse or family breakdown. At the same time, personal debt for many of the families we support remains high, with costly day-to-day items such as food, utility bills and rent, deepening the financial strain on already vulnerable households. A grant from FTCT can be transformational. As one parent told FTCT:

> "If I hadn't applied, I would have still struggled to find my children clothes, a bed etc. I would have found myself drowning in more debt and my mental health declining. It really was life changing."

As the only UK charity dedicated solely to supporting parents in the UK fashion and textile sector, FTCT is proud to serve as a safety net when families need it most. But we can't do it alone. Our ability to keep delivering this essential help depends on the backing of the very industry we serve. With continued investment from companies across the sector, we can ensure their employees and families don't face life's toughest moments alone.

Our Business Plan, which incorporates our Strategy to reach families in our sector, is available to view on our website. Please click here to view. With one further year remaining of our five-year strategy 2021-2026, plans are underway to devise our next strategy 2026-2031.

Our Vision: We believe no child should have to live without the essential items they need to thrive.

Our Mission: To provide financial grants to support the children of UK fashion and textile families, improving their wellbeing.

Our strategic direction is: To take an innovative approach to extending the lifespan of the Charity and continue to help families cope during challenging times. Our three key focus areas to support our strategic direction are: Children and Families, Financial Sustainability and Operational Excellence.

The success of our strategy relies heavily on financial support from the industry. By end of our financial year 2026, we aim to have awarded £1.86 million in grants over a five-year period, supporting just over 3,960 children. We are ambitious in our goal to raise £686,282 in donations, representing a 103% increase from our last strategic period. In the last financial year, following the implementation of our fundraising strategy, we successfully raised £158K.

While our fundraising strategy continues to yield positive results, we are not complacent and in the current climate recognise the continued need to build awareness of the charity across the sector to grow the number of companies we work with. Equally important is the retention of our valued and long-standing Partners. By working in partnership with FTCT, companies act as the critical link, enabling FTCT to reach industry families who may have exhausted all other means of support.

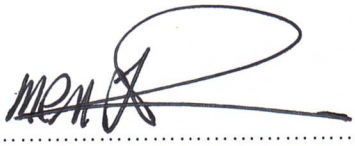
As stewards of the Charity, we remain firmly committed to serving the best interests of the families who rely on us now—and those who may need our help in the future. Every pound raised directly benefits the families we support, and each grant awarded has a meaningful, often life-changing impact.

After 8 years in service as Chair for the Fashion & Textile Children's Trust, I will be stepping down in October 2025. Having had the privilege of serving in this role, I can't speak highly enough of the incredible work that FTCT does to support the families of those that work in our sector. With a dynamic Board of Trustees and passionate team, I have no doubt that the charity will go from strength to strength,

I would also like to take this opportunity to welcome our new Chair, Justin Hampshire, who will be joining the charity in October 2025. I wish him every success.

My appreciation goes to our executive and operational teams, whose dedication and hard work drive everything we do. I'd like to express my heartfelt thanks to our Board of Trustees for their unwavering support, guidance, and the generous time they have dedicated to the charity, over the last 8 years.

Finally, a sincere thank you to the growing number of companies across the British fashion and textile sector who continue to work in partnership with FTCT — we're incredibly proud to partner with you.



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Chair of Trustees during the reporting year: Mike Taylor

Signed on behalf of the Board of Trustees by: Mike Trotman Date: 10 February 2026

The Trustees present their report along with the financial statements of the Charity for the year ended 30 June 2025. The financial statements have been prepared in accordance with the accounting policies set out on pages 17 to 21 and comply with the Charity's Trust Deed and applicable law.

INTRODUCTION

The Fashion & Textile Children's Trust (FTCT) is the only trade charity dedicated to supporting the children of those working in the British fashion and textile industry. Financial difficulties can affect anyone at any time, regardless of their job. An unexpected change in circumstances at home can suddenly make it exceptionally challenging for a parent to provide essential items for their child, who may already be struggling to cover rent, food, utility and council tax bills.

From our daily conversations with parents, we understand that economic strain not only impacts children's access to adequate clothing, bedroom furniture, and school essentials but also increases the risk of mental stress for parents striving to meet their family's basic needs. As financial pressures grow, the strain on mental wellbeing becomes more evident, leading to anxiety, stress, and depression emerging as a result. Home and work life are inextricably linked: financial pressures at home can undoubtedly have an impact on a parent's performance at work; leading to absenteeism and potentially leaving the company altogether.

FTCT is at the heart of the UK fashion and textile sector, and the parents and carers who work in this sector are central to the day-to-day business activities. Whether on the shop floor of a fashion retailer, at a textile manufacturer, a distribution centre, or a textile care company, we strive to build a reputation as a charity that is family friendly, listens, is empathetic, non-judgemental, kind, and fair, from the first enquiry through to the outcome. As a small team, we take immense pride in encouraging families to take the first step, always 'going the extra mile' throughout, working with each family on a case-by-case basis to guide them through each stage and achieve a positive outcome.

Our Heritage:

The Fashion & Textile Children's Trust (FTCT) was founded in 1853, during a thriving era for Britain's silk and cotton weaving industry. In 1856, Charles Dickens served as Chairman of Appeal—a role comparable to today's celebrity ambassador. Over the past 170 years, as the industry has evolved, so too has FTCT.

Today, we support children whose parents work across the full spectrum of fashion and textile-related roles—from warehouses and shop floors to design studios and factories. Whenever a parent is struggling to afford their child's basic needs, we're here to help.

Organisational Purpose:

The sole purpose of our Charity is to provide grants – a financial, non-repayable contribution – to families who work, or have previously worked, in the British fashion and textile industry. Our grants are not a loan and similarly do not affect the benefits a parent receives. Additionally, there is no charge or membership fee to a company who works in partnership with our Charity.

Typically, our grants cover the cost of essential items and specialist items for their child (up to 18yrs) and are considered when circumstances have changed at home or when ongoing situations, e.g. illness or disability mean that a parent is unable to afford the items their child needs. As part of the application process, we ask the parent to provide financial information, ensuring that we have a full understanding of home circumstances and that grants awarded are to those most in need. Once a grant is awarded, all receipts for grant items purchased must be returned within four weeks.

Review of the Year – Strategic Activities

This year, we awarded £386,269 in grants to support 783 children, significantly enhancing their opportunities and wellbeing. While the numbers of new grants were slightly lower than last year, the impact was still meaningful; reaching those who needed it most, at a time of acute need.

The key focus of this year has been the continued implementation of our five-year Business Plan 2021-2026 – now in its final year - alongside the four enabling strategic projects.

Our overall Strategic Direction is to take an innovative approach to continue to help families cope during challenging times. Three strategic aims were devised to support our strategic direction:

Children and Families	We aim to grow the number of children we support to extend the impact our grants give to the lives of UK children. To do this, we will maintain our grants awarded figure close to the amount given in the previous strategy period.
Financial Sustainability	We are ambitious in our fundraising targets and aim to fund the growth in children supported with a higher proportion of fundraising income, safeguarding the Charity for future generations.
Operational Excellence	We are determined to improve the level of service we deliver and aim to modernise our processes by embracing digital transformation, through cloud-based services and automated procedures.

For further information about our Strategic Objectives, please visit our website, as here.

During the fourth and penultimate year of our strategy, we have successfully undertaken the following three strategic projects:

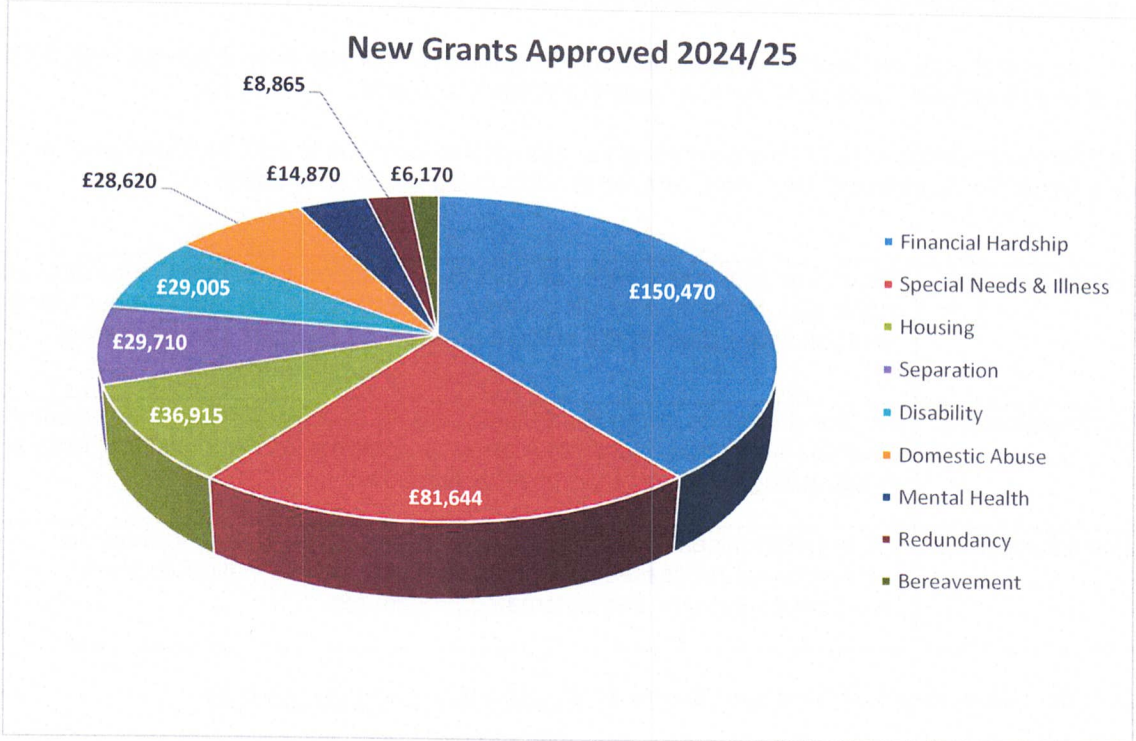
Children and Families: We're improving how families apply for support by making our service more digital and personalised. New features include automated email updates, clearer website guidance, and better data insights through our CRM system.

Financial Sustainability: We have continued to enhance our fundraising strategy, successfully collaborating with an increasing number of partners to boost sector-wide support. Our efforts span four main donor bases: Corporate, Events, Individuals, and Trusts and Foundations, with a primary focus on Corporates. We are proud to be partnering with 30 organisations (up from 20 in 2023/24), all of whom promote our grants and contribute annual donations. Additionally, we have strengthened our two annual fundraising campaigns: the Back-to-School Campaign and the Winter Appeal.

Operational Excellence: Thanks to the ongoing growth of our corporate partners and the resulting increase in a steadier stream of enquiries, we have been able to reduce the need to use social media advertising to boost enquiries when the pipeline is low. We also implemented a number of email automations to help with re-inviting past applicants and retargeting those who dropped out at enquiry stage, to boost enquiries. All of these tactics led to conversion efficiencies.

Grants Achievement and Performance

The chart and table below present the net amount of new grants approved in 2024/2025, after deducting refunds and cancellations of grants committed in previous years:



Need	New Grants Approved 2024/25	Approved % Total	Number of New cases	% Beneficiaries
Financial Hardship	£150,470	38.95%	344	43.93%
Special Needs & Illness	£81,644	21.14%	153	19.54%
Housing	£36,915	9.56%	58	7.41%
Separation	£29,710	7.68%	70	8.94%
Disability	£29,005	7.51%	54	6.90%
Domestic Abuse	£28,620	7.41%	50	6.39%
Mental Health	£14,870	3.85%	25	3.19%
Redundancy	£8,865	2.30%	17	2.17%
Bereavement	£6,170	1.60%	12	1.53%
Total Recipients	**£386,269**	**100%**	**783**	**100%**

As shown in the table above and illustrated below, 71% of FTCT grants approved were for children affected by parental circumstances, such as financial hardship, redundancy, mental health, domestic violence or bereavement to support with essential items such as clothing, school uniform, bedroom furniture, appliances and home items and more.

29% of FTCT grants were for children with special needs or disabilities. Typically, grants were for extra tuition, speech and language therapy, specialist equipment, learning adaptations, occupational therapy, laptops to support learning and essential child access modifications to the family home.

FTCT continues to help families navigate challenging times. Using current national statistics for the number of children living in poverty and the number of people employed by the sector, this indicates we are only reaching a fraction of our potential beneficiary audience, meaning that the true number of beneficiaries eligible for our grants far exceeds the resources we have available.

By working in partnership with the sector, we can ensure we reach employees whose families are facing financial hardship in our sector.

As a trade specific charity, our grants can only be awarded to those who currently work in the industry or have previously worked within the last nine years, providing that they have worked for a minimum of one year. The children in the family must be aged between 0 – 18 years.

Grants typically provided by FTCT include:

Essential items	Specialist items
Clothing and shoes, inc school uniforms and PE Kit	Mobility equipment
Children's bedroom furniture / Bedding	Sensory toys
White goods (fridge, cooker and washing machine)	Therapy
Essential household items	Respite activities
Study Essentials – Tablets / Laptops etc.	Specialist clothing

During the last 12 months, many families continue to be impacted by the cost-of-living crisis.

Kathryn, a parent who works at NEXT was recently awarded a grant told FTCT:

"My co-worker recommended FTCT and it really helped me. The process was simple and I was sent the grant in no time. It meant my children could have a fresh new uniform and a safe bed to sleep in. Both me and my children could not be happier with the help we received."

The FTCT team and Board of Trustees remain committed to significantly increasing the number of children we assist, to support families who work in our industry and as a result of our strategic direction.

FTCT Fundraising and Outreach Campaign 2024/25

Promotion continued across the British fashion and textile sector with many of our long-established industry partners including NEXT, John Lewis Partnership, M&S and Boden as well as textile care companies including CLEAN, Aberdeen Laundry and Johnsons Hotel Linen.

Our Working Together Agreement (WTA) continues to provide a clear framework for all of our Partnerships. Our ask is two fold: for companies to both promote our grants to employees and invest in our services.

We continue to work in partnership with a strong portfolio of companies including Ralph Lauren, New Look, Charles Tyrwhitt, BTMA, Kannegiesser and Abraham Moon. We are also delighted to have welcomed new Partners, including Kurt Geiger, John Smedley Knitwear, The Linen Group and Elis.

Our thanks also to Snow White Laundries, Christeyns, LLUK, SATCOL, Interweave, Society of Hospital Linen Service and Laundry Managers (SHLSLM), Micronclean, Jacksons, Salisbury Linen Services and Kannegiesser.

Our deep appreciation also to our supporting trade bodies: UKFT and the National Laundry Group.

Many of our Partners took part in our Winter Appeal, Dec 24 and Back To School Campaign, July 24 and raised £16,688 and £3,566 respectively. For the second Winter Campaign over 14 Partners took part, our highest number of Corporate participants, a trend we hope to continue to build on year-on-year.

Our new animated video was launched in Spring 2025, providing an updated visual overview of our grants and how to apply. Both comprehensive and friendly, this is intended to encourage families to get in touch.

We constantly strive to ensure that our service is accessible: following discussion with our SLS one of our Partner companies, our FTCT materials were translated into two different languages. In working with other Partner companies, this has now grown to over 10 translated languages.

Complementing this provision, we are also pleased to share that FTCT will be working with Language Line, a live translation service, enabling the parent to speak in their first language, to ensure they have a full understanding of the grant support available.

We were also delighted to work in partnership with textile company Vision Linen as part of our Winter Appeal, Dec 24. Throughout December, families receiving a grant from FTCT were offered free Vision Linen bedding bundles, redeemable with a unique code.

Stakeholder support: We are proud to continue to be the official Drapers' Charity Partner at the three Drapers Awards Ceremonies held throughout the year, raising just over £11,000. Attended by nearly 1,000 representatives from the sector, this is a unique opportunity to raise awareness, fundraise and continue to strengthen our network. FTCT would like to thank Jill Geoghan, Editor for her ongoing support. Next year, Drapers will be consolidating their award events to two: the Drapers Awards in November 2025 and Drapers Conscious Awards, Spring 2026.

Textile Sector Our continued charity partnership with UKFT (UK Fashion and Textile Association) has helped to raise further awareness and financial support. UKFT organised their second Christmas Prize Draw on behalf of FTCT. Our ongoing thanks to Adam Mansell, CEO and all the team at UKFT.

Textile Care Sector We also extend our gratitude to Charlie Betteridge, former Master of the Worshipful Company of Launderers, who kindly selected FTCT as his chosen charity during his year of service, on behalf of the Launderers.

Our sincere thanks also to Alastair McRae, National Laundry Group for choosing FTCT as their chosen charity for the fifth year running at their Annual Dinner.

We are also deeply grateful to Jason Kent, CEO of the British Textile Machinery Association (BTMA) for selecting FTCT as their chosen charity for the first time at their Annual Dinner, Manchester.

Public Benefit Statement

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

Our charitable objectives, as set out in our Trust Deed dated 1968, focus on the relief of poverty and support of education among children of any persons presently or formerly employed in the textile and allied trades. Today, we reflect these objectives by providing grants for everyday items to support a child's health and wellbeing, from school uniform and essential clothing to larger furniture items and specialist equipment. Our grants help to relieve financial pressure on families during challenging times, while making sure children have everything they need to thrive.

FINANCIAL REVIEW

This year's financial performance reflects deliberate strategic management of our assets and disciplined cost control, despite challenges in specific revenue streams.

Total income for the year was £402,152, marking a 5.7% decrease compared to £426,572 received in the prior year. This decrease was consciously offset by proactive spending adjustments, as total expenditure was successfully contained at £827,341, a 2.4% reduction from the previous year's spend of £848,036.

The decline in total income was primarily due to two factors. Returns from securities saw a moderate 2.9% drop. This outcome is a direct and strategic consequence of the ongoing, measured transition to rebalance the capital base mix of our investment fund portfolio. This process is essential for aligning our fund structure with the Board-adopted total returns policy, ensuring long-term financial stability and growth potential. The temporary reduction in returns is thus a necessary step in achieving this strategic goal.

Separately, income from donations and fundraising experienced a 9.8% decrease, falling from £175,364 to £158,221. This shortfall reflects specific challenges, mainly stemming from lower returns in Corporate/Community donations, coupled with a slightly smaller underperformance from Corporate/Individual events. We are actively reviewing our fundraising strategies to strengthen performance in these key donor segments moving forward.

Our total expenditure was reduced by 2.4% year-on-year, demonstrating a continued commitment to fiscal discipline. This strategic saving was mainly achieved through targeted adjustments to our strategic grants programme and a careful management of organisational development activities. By prioritising spending, we ensure that resources are directed toward activities that deliver maximum impact and align precisely with our mission and strategic objectives.

Overall, the organisation maintained strong fiscal stewardship. While revenue faced headwinds from a planned investment transition and fundraising challenges, expenditures were tightly controlled. We remain focused on capitalising on the long-term benefits of the rebalanced investment strategy and implementing robust measures to enhance our fundraising revenue in the coming period.

Investment Policy and Performance

The Trustees appoint Investment Managers and delegate to them power at their discretion to buy and sell investments securities on their behalf in accordance with the investment policy laid down by the Trustees. The Trust's investments are managed on a discretionary basis by Quilter Cheviot. The Trustees have adopted a total return policy, with an investment objective of achieving long-term capital growth to the value of the portfolio, as well as generating agreed income levels through diversified funds and individual holdings in fixed income stocks, equities, alternative investments and cash. Historically, the emphasis had focused on income generation. The Trust's risk appetite remains medium, limiting equity exposure to a maximum of 75% of the portfolio, allowing the fund to accept a moderate variation or disruption to capital value or current income in order to meet the Charity's longer-term objectives.

Ethical and Responsible Investment

The Trust intentionally applies responsible-investment principles to guide and influence its investment strategy. Environmental, social and governance (ESG) criteria are a set of standards for an organisation that socially conscious investors, such as our charity, considers when reviewing their investments. Environmental criteria consider how an organisation performs as a steward of nature.

Social criteria examines how it manages relationships with employees, suppliers, customers, and the communities where it operates. Governance deals with organisation's leadership, executive pay, audits, internal controls, and shareholder rights. Therefore, the investment managers are expected to take account of ESG issues in their investment analysis and decision-making processes and engage with company management when appropriate. The Managers send through, quarterly, a specific report covering ESG issues encountered during the period.

The Investment Manager has categorised the Charity's responsible investment preference is 'Aware', which means that the aim is to optimise financial returns for the given level of risk level, believing that to achieve this being aware of environmental, social and governance factors are important inputs.

The total income from the Trust's investment portfolio stood at £243,931 compared to the previous year's total of £251,208 as the portfolio's income bias has been reduced. During the year to 30 June 2025, allowing for capital withdrawals including fees during the year, the portfolio decline by 0.1% in capital terms and generated an income return of 3.5%, so overall a net increase of 3.4%. This compared to an increase in the benchmark, the MSCI PIMFA Balanced Index of 7.0% and the Asset Risk Consultants (ARC) Charity Steady Growth Index of 4.3%.

On a rolling 5-year basis, the portfolio has delivered a compound net total return of 39.0%, against 40.0% for the benchmark and 31.1% for the ARC Charity Steady Growth Index.

The Finance Committee continues to monitor the activities of the portfolio Managers and is satisfied with Quilter Cheviot's long term performance.

Reserves policy

The Trustees' policy is to distribute the income from investments and other sources to meet charitable demands, whilst optimising running costs and protecting the capital base to ensure that the Trust is able to meet all future charitable needs. In 2024/25 the sum of £395,935 was deducted from reserves (2023/24: £202,390 was added to reserves), mainly due to a £595,234 combined overall reduction in realised and unrealised gains on investment assets compared to the prior year.

Total unrestricted income funds have remained at £0 (2022: £0) these funds were designated to fulfil commitments already made to support children's educational needs. These commitments were finally discharged in June 2022.

These commitments were conditional based on an annual review addressing the progress of the child concerned and any changes in the grants to support educational needs or in the financial situation of the parents. Dependent upon this, the grant was either continued at the previous level or increased (providing evidence is shown). In line with the Board's directive as from 1 July 2019, no further contributions will be considered for these types of grants.

Total endowment funds amount to £7,063,925 (2024: £7,459,860) all of which relates to the expendable endowment fund.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The principal addresses and details of professional advisers are included in the information sheet at the front of these accounts.

Governing Document

The Trust is constituted under a Declaration of Trust, dated 23 September 1968, amended by Charity Commission Scheme 214 (s) sealed 18 December 1995.

Appointment of Trustees

The Trust Deed of 1968 requires a minimum of four and a maximum of eighteen Trustees. Trustees are invited to join the Board; preference is given to those who are currently employed in senior positions in the fashion and textile, retail and manufacturing industry. Trustees, excluding the Chair, are elected by a resolution of the Trustees and serve for a period of four years after which they can be re-elected.

The Chair is elected by the Trustees and serves for a period of three years and a maximum of six years in the event of re-election.

Induction and Training

Each prospective Trustee meets with the Chief Executive, Chair and Trustee representative and attends a Trustee Meeting in advance of their appointment being confirmed. In December last year, four Trustees were successfully recruited to join the Board: Ann Campbell, Alia Gerar, Andrew Woodward and Phil Cooke. Each concluded an in-depth induction, which included details of the Charity, our Trust Deed, legal responsibilities and the latest governance information produced by the Charity Commission.

Organisation

The Charity is governed by a Board of eleven Trustees, operating under the day-to-day management of the Chief Executive and team. The Trustees below all held office from 1 July 2024 to 30 June 2025:

Mike Taylor, (Chair of Trustees), Commercial Director, British Heart Foundation - Resigned 22/10/2025
Justin Hampshire, (Chair of Trustees), Group Chief Exec TFG Brands London - Appointed 22/10/2025
Mike Trotman, (Chair, Finance Committee) Former CFO, Tom Dixon Group
David Shepherd, Former COO Trading, Arcadia
Ryan Becker, Managing Director, UK Visual Immersion
Vanessa Elias, Managing Director, CVUK – Resigned 18/08/2025
Robert Bready, Freelance Executive Consultant
Anne Secunda, Executive Consultant
Phil Cooke, Former Chief Product Officer, River Island
Alia Gerar, (Cases Committee), Scaling & Investment Partner
Andrew Woodward, Former Chief Marketing Officer, HUSH
Ann Campbell, Interim and contract senior communications. Trustee I NED I Mentor

There are two sub-committees:

Finance Committee (Chair, Finance Committee Mike Trotman and Chair, FTCT, Mike Taylor) are responsible for the monitoring and control of total income, expenditure and for supervision of the Accounts. The performance of Quilter Cheviot is monitored by the Finance Committee.

The Cases Committee is responsible for assessing applications and reviewing applications for grants of over £750 per child, submitted by the Grants Team. There are currently three members of the Cases Committee, David Shepherd, Vanessa Elias and Alia Gerar, Trustees.

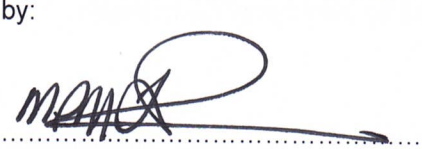
Nominations Committee: For the purpose of recruiting a Chair for our charity, the following Trustees will be supporting throughout the process: David Shepherd, Alia Gerar, Mike Trotman, Ryan Becker, Anne Secunda and Phil Cooke.

TRUSTEES' RESPONSIBILITIES IN RELATION TO FINANCIAL STATEMENTS

The Charity's Trustees are responsible for preparing the Trustee's Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (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 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 apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments' and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any 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 Trust Deed. 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. This Annual Report was approved by the Trustees on 10 February 2026 and signed on their behalf by:



Chair of Trustees during the reporting year: Mike Taylor

Signed on behalf of the Board of Trustees by: Mike Trotman

Date: 10 February 2026

Opinion

We have audited the financial statements of Fashion & Textile Children's Trust for the year ended 30 June 2025 which comprise statement of financial activities, balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 2025 and of its incoming resources and application of resources 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's 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 financial statements are 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, 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.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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 auditors' 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.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with

relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's 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 the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

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Saffery LLP

Chartered Accountants

Westpoint
Peterborough Business Park
Lynch Wood
Peterborough
PE2 6FZ

Statutory Auditors

Date:

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

FASHION & TEXTILE CHILDREN'S TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2025

	Notes	Unrestricted Income Funds £	Endowment Funds* £	Total 2025 £	Total 2024 £
Income and endowments from:					
Donations and legacies		-	158,221	158,221	175,364
Other trading activities		-	-	-	-
Income from Investments	2	243,931	-	243,931	251,208
Other incoming resources		-	-	-	-
Total Income and endowments		243,931	158,221	402,152	426,572
Expenditure on:					
Raising Funds	4	181,872	-	181,872	183,452
Charitable activities	5	645,469	-	645,469	664,584
Total Expenditure	3	827,341	-	827,341	848,036
Net gains/(losses) on investments	12	-	28,620	28,620	623,854
Net income/(expenditure)		(583,410)	186,841	(396,569)	202,390
Transfer between funds	16	583,410	(583,410)	-	-
Net (outgoing) resources before other recognised gains and losses		-	(396,569)	(396,569)	202,390
Other gains/(losses)		-	634	634	-
Net movement in funds for the year			(395,935)	(395,935)	202,390
Total funds brought forward	16		7,459,860	7,459,860	7,257,470
Total funds carried forward		-	7,063,925	7,063,925	7,459,860

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

The notes on pages 17 to 29 form part of these financial statements.

* The Endowment funds are wholly expendable as shown in note 15 on page 27.

Comparative figures are included on page 29.

FASHION & TEXTILE CHILDREN'S TRUST

BALANCE SHEET

AS AT 30 JUNE 2025

	Notes	2025 £	2024 £
Fixed assets			
Intangible fixed assets	11	-	-
Tangible fixed assets	11	5,257	3,909
Investments	12	6,935,298	7,313,659
		6,940,555	7,317,568
Current assets			
Debtors and prepayments	13	60,755	79,997
Cash at bank		112,885	104,969
		173,640	184,966
Creditors: amounts falling due within one year	14	(50,270)	(42,674)
Net current assets		123,370	142,292
Net assets		7,063,925	7,459,860
Unrestricted income funds			
- Designated fund	16	-	-
		-	-
Endowment funds			
- Expendable endowment	16	7,063,925	7,459,860
- Permanent endowment		-	-
		7,063,925	7,459,860
Total funds		7,063,925	7,459,860

The notes on pages 17 to 29 form part of these financial statements.

These accounts were approved by the Trustees on 10 February 2026 and signed on their behalf by:

.....

Mike Trotman
Chair Finance Committee

.....

David Shepherd
Trustee, authorised to sign on behalf of the Board

Charity information

The Fashion & Textile Children's Trust is a Charity domiciled and registered in England and Wales. The principal office is 44 Southampton Buildings, London, WC2A 1AP.

1 Accounting policies

1.1 Basis of accounting

These financial statements for the year ended 30 June 2025 of Fashion & Textile Children's Trust are prepared in accordance with the Charity Commission Statement of Recommended Practice - Accounting and Reporting by provisions of the Charities SORP (FRS 102) – Accounting and Reporting by Charities. The accounts have been prepared in accordance with the Charities Act 2011.

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The financial statements have been prepared in accordance with the Charity Commission Statement of Recommended Practice - Accounting and Reporting by provisions of the Charities SORP (FRS 102) – 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.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

Income is included in the Statement of Financial Activities when the Charity is entitled to the income and the amount can be measured with sufficient reliability. Incoming resources are categorised as follows:

Donations and legacies comprise gross amounts received by way of legacies, covenants, gift aid and donations and form part of the expendable endowment. For legacies, entitlement is the earlier of the Charity being notified of an impending distribution or the legacy being received. It is the Trustees' policy to treat any unrestricted legacy received as part of the Expendable Endowment; the object being to enhance the Trust's income available for use over future years, so that future beneficiaries can receive the direct benefits of the legacy occurred.

Other trading activities comprise gross amounts received by way of appeal projects and form part of the expendable endowment. Income from appeals is deferred where the income relates to the occurrence of a future event, the cancellation of which would result in a refund of the monies raised.

Income from investments comprises amounts receivable by way of dividends and interest and forms part of the unrestricted general fund.

Other income comprises of the receipts of any resources, which the Charity has not been able to allocate within the main income categories and forms part of the unrestricted funds or the endowment funds.

1 **Accounting policies (continued)**

1.4 **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis, inclusive of VAT and is reported as part of the expenditure to which it relates.

Expenditure on raising funds comprises the costs associated with attracting voluntary income, fundraising events and investment management costs.

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.

Governance costs include the costs associated with the general running and statutory requirements of the Charity and are recognised within support costs. It consists of auditors' remuneration and management and administration costs.

Costs are allocated between expenditure categories on a basis designed to reflect the use of the resource. Costs, including overheads relating to a particular activity are allocated directly. Support costs are apportioned on an appropriate basis e.g. staff time and estimated usage.

1.5 **Fundraising and publicity costs**

These include direct expenditure and support costs involved in raising the profile of the Charity and in fundraising events.

1.6 **Grants payable**

Grants are made in order to give financial support to families for day to day and specialist items aligned with the charitable objectives of the Charity. The liability for grants payable is recognised in the year in which the offer is made. The amount charged to the Statement of Financial Activities for the year comprises both grants paid in the year and payable within one year. The commitment in respect of grants payable within one year is included in creditors, where the commitment has been communicated in writing prior to the balance sheet date. The commitment in respect of future payments due after one year is accounted for by a transfer to designated funds. The amount held in the designated fund is therefore not disclosed as a future liability to reflect the fact that the Trustees carry out an annual review of all grants payable and retain the discretion to terminate any grant.

1.7 **Fixed Assets**

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Website	-	3 years

Tangible Fixed Assets

Depreciation of fixed assets is provided by equal annual instalments, calculated to write off the cost of assets over their estimated useful lives. These are:

Computer equipment	-	5 years
Office equipment	-	10 years

All assets, which have a useful economic life of more than one year, are capitalised at cost.

1 **Accounting policies (continued)**

1.8 **Investments**

Investments are included in the accounts at the market value ruling at the balance sheet date. The unrealised gains and losses arising as a result, together with any realised gains and losses on investments disposed of in the year, are included in the Statement of Financial Activities, forming part of the expendable endowment. Income from investments is recognised on an accruals basis and forms part of the unrestricted general fund.

1.9 **Fund accounting**

Funds held by the Charity are either:-

Unrestricted general funds:-
The general fund represents funds that can be used in accordance with the charitable objectives, at the discretion of the trustees and without having to take account of any restrictions. Any shortfall in the general fund is supplemented by a transfer from the Expendable Endowment, in accordance with the Trust Deed.

Designated funds:-
These funds represent the cost of ongoing grants for children currently receiving support. Transfers are made to or from the fund from the expendable endowment each year. The balance on the fund represents a future liability, being the amount committed by the trustees to specific charitable expenditure, communicated in writing prior to the balance sheet date and falling due for payment after more than one year. The payment of future grants is contingent upon the grant conditions being met and is subject to an annual review by the trustees, who retain the discretion to terminate any grant. These funds are treated as unrestricted.

Expendable endowment funds:-
These represent income received, which is credited to the fund in accordance with the trust deed, from which gifts or loans may be made to supplement any shortfall on the general fund or designated fund.

Permanent endowment funds:-
These funds represent the value at which donated assets have been capitalised. These assets were donated specifically for the purpose of use in fund raising events.

1.10 **Financial Instruments**

Financial assets are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets
Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Other financial assets classified as fair value through the statement of financial activities are measured at fair value.

Other financial assets
Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

1 **Accounting policies (continued)**

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets
Financial assets, other than those held at fair value through the statement of financial activities, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Classification of financial liabilities

Basic financial liabilities
Basic financial liabilities are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Other financial liabilities classified as fair value through the statement of financial activities are measured at fair value.

Other financial liabilities
Other financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expenses recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Derecognition of financial liabilities
Financial liabilities are derecognised when, and only when, the Charity's obligations are discharged, cancelled, or they expire.

1.11 **Cash and cash equivalents**
Cash at bank and cash in hand includes short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12 **Taxation**
The Charity is a registered Charity and is not liable to United Kingdom income tax or corporation tax on charitable activities.

1 Accounting policies (continued)

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Income from investments

	2025	2024
	£	£
Dividends, distributions and interest on bonds receivable	243,931	251,208
	243,931	251,208

3 Expenditure

	Direct Costs	Support Costs	Total 2025	Total 2024
	£	£	£	£
Expenditure on raising funds (note 4)	69,271	112,601	181,872	183,452
Charitable activities (note 5)	414,583	230,886	645,469	664,584
	483,854	343,487	827,341	848,036

4 Expenditure on raising funds

	2025	2024
Costs of generating voluntary income	£	£
Fundraising costs	12,252	9,295
Advertising & website costs	4,262	8,278
Publicity	3,000	5,574
Recruitment	1,280	1,680
Other costs	10,110	11,433
	30,904	36,260
Support costs (note 8)	112,601	108,804
	143,505	145,064
Investment management costs	38,367	38,388
	181,872	183,452

5 Charitable activities

	Grants (note 6) £	Direct costs £	Support costs (note 8) £	Total 2025 £	Total 2024 £
Large Grants	-	-	-	-	-
Medium and Small Grants	386,269	28,314	230,886	645,469	664,584
2025	386,269	28,314	230,886	645,469	664,584
2024	407,180	37,724	219,680		

6 Analysis of new grants

	2025 £	2024 £
Large Grants (paid & payable)		
- Paid directly to educational organisations on behalf of individuals	-	-
- Paid to individuals	-	-
- Prior year commitments reversed	-	-
	-	-
Medium Grants (paid & payable)		
- Paid directly to organisations on behalf of individuals	-	-
- Paid to individuals	42,139	47,121
	42,139	47,121
Small Grants (paid & payable)		
- Paid directly to organisations on behalf of individuals	-	-
- Paid to individuals	344,130	360,059
	344,130	360,059
Total grants for the year	386,269	407,180

7 Governance costs

	2025 £	2024 £
Audit fees (note 10)	12,600	12,000
Insurance	2,847	2,681
Professional fees (including Consultancy)	962	989
Other office costs	9,477	12,891
	25,886	28,561
Support costs (note 8)	(25,886)	(28,561)
	-	-

8 Support costs

	2025	2024
	£	£
Staff costs (note 9)	287,872	272,150
Bookkeeping costs (note 10)	462	361
Office costs	27,247	25,370
Depreciation	2,020	2,042
Governance costs (note 7)	25,886	28,561
	343,487	328,484
Allocated to:		
Expenditure on raising funds (note 4)	112,601	108,804
Charitable activities (note 5)	230,886	219,680
	343,487	328,484

9 Employees

	2025	2024
	£	£
Wages and salaries	258,648	243,619
National insurance	21,018	20,963
Employer's Pension	8,205	7,569
	287,872	272,150

	Number	Number
Number of employees		
The average number of employees during the year was:		
Management and administration	6	6

One employee earns in excess of £80,000 but less than £90,000 per annum (2024: one).

Total remuneration of key management personnel was £140,688 (2024: £134,858).

10 Auditors' and Accountants' remuneration

		2025	2024
		£	£
Audit	Saffery LLP	12,600	12,000
Bookkeeping	Bookkeeping & Office Services	462	361
		13,062	12,361

11 **Fixed Assets**

Intangible fixed assets

	Website £	Total £
Cost		
At 1 July 2024	18,000	18,000
Additions	-	-
At 30 June 2025	18,000	18,000
Amortisation and impairment		
At 1 July 2024	18,000	18,000
Charge for the year	-	-
At 30 June 2025	18,000	18,000
Net book value		
At 30 June 2025	-	-
At 30 June 2024	-	-

Tangible fixed assets

	Computer Equipment £	Total £
Cost		
At 1 July 2024	29,675	29,675
Additions	4,395	4,395
Disposals	(5,732)	(5,732)
At 30 June 2025	28,340	28,340
Depreciation		
At 1 July 2024	25,766	25,766
Charge for the year	2,020	2,020
Disposals	(4,703)	(4,703)
At 30 June 2025	23,083	23,083
Net book value		
At 30 June 2025	5,257	5,257
At 30 June 2024	3,909	3,909

12 Investments

	2025 £	2024 £
Quoted investments		
Market value at 1 July 2024	7,080,159	6,418,483
Additions and other adjustments	1,538,957	541,225
Disposals proceeds	(1,881,207)	(503,403)
Realised gain/(loss) on investments	490,590	(28,330)
Unrealised gain/(loss) on investments	(461,970)	652,184
Market value at 30 June 2025	6,766,529	7,080,159
Cash held at investment managers	168,769	233,500
	6,935,298	7,313,659
Historical cost at 30 June 2025	5,554,990	5,406,650

All investments are held primarily to provide an investment return for the Charity.

Geographical Analysis		2025 £	2024 £
United Kingdom	- Fixed Interest	1,024,771	962,922
Overseas	- Fixed Interest		107,894
United Kingdom	- Equity	1,521,414	1,728,538
Europe	- Equity	724,589	657,922
USA	- Equity	2,116,723	2,054,035
Asia	- Equity	274,506	342,805
Japan	- Equity	166,157	159,598
Emerging Markets	- Equity	208,617	190,261
Global	- Equity		82,560
Alternative Investments	- Property	729,752	793,624
	- Equity		
		6,766,529	7,080,159

All investment income is derived from investments traded on the UK stock exchange.

13 Debtors and prepayments

	2025 £	2024 £
Other debtors	5,680	5,760
Prepayments	22,587	12,917
Accrued income	32,488	61,320
	60,755	79,997

14 **Creditors: amounts falling due within one year**

	2025 £	2024 £
Large Grants payable (see below)	-	-
Medium and Small Grants payable (see below)	7,230	600
Taxation and Social security	6,219	6,790
Company Credit card	1,176	4,853
Sundry creditors	8,323	3,798
Accruals	27,322	26,633
	50,270	42,674

The Trustees have included as a liability grants payable within one year that have been communicated in writing prior to the balance sheet date.

	2025 £	2024 £
Large Grants payable at 1 July 2024	-	-
Medium Grants payable at 1 July 2024	600	2,460
Small Grants payable at 1 July 2024	-	-
	600	2,460
New commitments/ Transfers to/from designated fund (note 6)	386,269	407,180
Paid during the year	(379,639)	(409,040)
	7,230	600
Large Grants payable at 30 June 2025	-	-
Medium Grants payable at 30 June 2025	1,800	600
Small Grants payable at 30 June 2025	5,430	-
Total Grants carried forward payable 2024/25	7,230	600

15 **Funds 2025**

	Unrestricted		Restricted		
	General fund £	Designated fund £	Expendable endowment £	Permanent endowment £	Total 2025 £
At 1 July 2024	-	-	7,459,860	-	7,459,860
Income	243,931	-	158,221	-	402,152
Expenditure	(827,341)	-	-	-	(827,341)
Transfers	583,410	-	(583,410)	-	-
Gain/(loss) on revaluation and disposal of investment assets	-	-	28,620	-	28,620
Other gains/(losses)			634		634
At 30 June 2025	-	-	7,063,925	-	7,063,925

Funds 2024

	Unrestricted		Restricted		
	General fund £	Designated fund £	Expendable endowment £	Permanent endowment £	Total 2024 £
At 1 July 2023	-	-	7,257,470	-	7,257,470
Income	251,208	-	175,364	-	426,572
Expenditure	(848,036)	-	-	-	(848,036)
Transfers	596,828	-	(596,828)	-	-
Gain/(loss)on revaluation and disposal of investment assets	-	-	623,854	-	623,854
At 30 June 2024	-	-	7,459,860	-	7,459,860

16 **Analysis of assets between funds 2025**

	Unrestricted		Restricted		
	General fund £	Designated fund £	Expendable endowment £	Permanent endowment £	Total 2025 £
Intangible fixed assets	-	-	-	-	-
Tangible fixed assets	-	-	5,257	-	5,257
Investments	-	-	6,935,298	-	6,935,298
Current assets	-	-	173,640	-	170,580
Current liabilities	-	-	(50,270)	-	(47,210)
Net Assets	-	-	7,063,925	-	7,063,925

Analysis of assets between funds 2024

	Unrestricted		Restricted		
	General fund £	Designated fund £	Expendable endowment £	Permanent endowment £	Total 2024 £
Intangible fixed assets	-	-	-	-	-
Tangible fixed assets	-	-	3,909	-	3,909
Investments	-	-	7,313,659	-	7,313,659
Current assets	-	-	184,966	-	184,966
Current liabilities	-	-	(42,674)	-	(42,674)
Net Assets	-	-	7,459,860	-	7,459,860

17 **Related Parties**

No Trustee, or persons connected with the Trustees, received any remuneration or were reimbursed any expenses from the Charity during the year (2023-24: None).

18 **Operating Lease Commitments**

At 30 June 2025 the Charity had annual commitments under non-cancellable operating leases:

Operating leases which expire:	Service Office Sublease Agreement
Within one year	£24,732
Within two to five years	£12,672

FASHION & TEXTILE CHILDREN'S TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2024

	Notes	Unrestricted Income Funds £	Endowment Funds* £	Total 2024 £
Income and endowments from:				
Donations and legacies		-	175,364	175,364
Other trading activities		-	-	-
Income from Investments	2	251,208	-	251,208
Other incoming resources		-	-	-
Total Income and endowments		251,208	175,364	426,572
Expenditure on:				
Raising Funds	4	183,452	-	183,452
Charitable activities	5	664,584	-	664,584
Total Expenditure	3	848,036	-	848,036
Net Gain on investments	12	-	623,854	623,854
Net income/(expenditure)		(596,828)	799,218	202,390
Transfer between funds		596,828	(596,828)	-
Net (outgoing) resources before other recognised gains and losses		-	202,390	202,390
Other gains/(losses)		-	-	-
Net movement in funds for the year		-	202,390	202,390
Total funds brought forward		-	7,257,470	7,257,470
Total funds carried forward		-	7,459,860	7,459,860

THE FASHION & TEXTILE CHILDREN'S TRUST

England & Wales - Charity number 257136

Accounts



Trustees' Report & Financial Statements

for the year ending June 2024

fashion & textile children's trust

A lifeline for families since 1853

REFERENCE AND ADMINISTRATIVE DETAILS

Name:	The Fashion & Textile Children's Trust
Registered Charity Number:	257136 (England and Wales)
Principal Office:	44 Southampton Buildings, London WC2A 1AP E-Mail: anna@ftct.org.uk Website: www.ftct.org.uk Telephone: 0300-123-9002 / M: 07753 605367
Trustees at 30 June 2024:	Mike Taylor, (Chair of Trustees) Commercial Director, British Heart Foundation Mike Trotman, (Chair, Finance Committee) Former CFO Tom Dixon Group David Shepherd, (Cases Committee) Former COO Trading, Arcadia Ryan Becker, Managing Director, UK Visual Immersion Vanessa Elias, (Cases Committee) Managing Director, CVUK Robert Bready, Freelance Executive Consultant Anne Secunda, Executive Consultant Phil Cooke, Former Chief Product Officer, River Island Alia Gerar (Cases Committee), Head of Ecosystems, RethinkX Andrew Woodward, Former Chief Marketing Officer, HUSH Ann Campbell, Director of Corp Affairs, Cotton Connect
Chief Executive:	Anna Pangbourne
Bankers:	Barclays Business 1st Floor, 27 Soho Square London W1D 3QR
Solicitors:	FieldFisher Riverbank House 2, Swan Lane London EC4R 3TT
Auditors:	Saffery LLP Westpoint Peterborough Business Park Lynch Wood Peterborough PE2 6FZ
Investment Managers:	Quilter Cheviot Investment Management Senator House, 85 Queen Victoria Street, London, EC4V 4AB

FASHION & TEXTILE CHILDREN'S TRUST

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FASHION & TEXTILE CHILDREN'S TRUST

CHAIR'S STATEMENT
FOR THE YEAR ENDED 30 JUNE 2024

I am delighted to introduce the Annual Report and Accounts for 2024, concluding the 170th year of our charity.

In the last 12 months, FTCT has provided financial support totaling £409,040 in payments to 849 children from families working in the British fashion and textile industry. These grants have been crucial for families facing significant financial hardship, often due to unexpected life events such as bereavement, relationship breakdown, or sickness.

Life continued to be very challenging for families across the industry. Last year, we saw an increase in the number of families who needed help to set up home after being rehoused; a situation increasingly linked to incidents of domestic abuse and relationship breakdown. We also saw an increase in the personal debt levels, while simultaneously seeing a drop in the average earnings of parents.

Operating on a national scale, we are proud to be the only organisation that is dedicated to providing financial support for parents who work in the British fashion and textile industry and are uniquely placed to help those that are being hardest hit. However, this also goes hand-in-hand with support from the industry, which is vital: we can only continue to provide our service with the investment of companies whose employees we support.

Our Business Plan, which incorporates our Strategy to reach families in our sector, is available to view on our website. Please click here to view.

Our Vision: We believe no child should have to live without the essential items they need to thrive.

Our Mission: To provide financial grants to support the children of UK fashion and textile families, improving their wellbeing.

Our strategic direction is: To take an innovative approach to extending the lifespan of the Charity and continue to help families cope during challenging times. Our three key focus areas to support our strategic direction are: Children and Families, Financial Sustainability and Operational Excellence.

The success of our strategy relies heavily on financial support from the industry. By end of our financial year 2026, we aim to have awarded £2 million in grants over a five-year period, supporting 4,424 children. We are ambitious in our goal to raise £640,000 in donations, representing a 90% increase from our last strategic period. In the last financial year, following the implementation of our fundraising strategy, we successfully raised £175,364, marking a 60% increase from the previous year. While our fundraising strategy is bringing positive results, we are not complacent and recognise the continued need to build awareness of the charity across the sector to grow the number of companies we work with. Equally important is the retention of our valued and long-standing Partners. By working in partnership with FTCT, companies act as the critical link, enabling FTCT to reach industry families who may have exhausted all other means of support.

As custodians of the Charity, we are resolute in our aim to act in the best interests of current and future families who may need our support. Every pound raised goes directly towards the families we support, and every single grant awarded really does make a difference. Amber, a parent supported by an FTCT grant, reflected on the impact this had made: *"If I hadn't applied, I would have still struggled to find my children clothes, a bed etc. I would have found myself drowning in more debt and my mental health declining. It really was life changing."*

I would like to extend my sincere thanks to the Board of Trustees for their invaluable support, expertise and time that they commit to the Charity, to the executive and operative team for their hard work and commitment. Finally, to the growing number of companies in the British fashion and textile sector who have supported us in the last year and whom we are immensely proud to work with.

Mike Taylor, Chair of Trustees

Date: 30 January 2025

The Trustees present their report along with the financial statements of the Charity for the year ended June 2024. The financial statements have been prepared in accordance with the accounting policies set out on pages 15 to 19 and comply with the Charity's Trust Deed and applicable law.

INTRODUCTION

The Fashion & Textile Children's Trust (FTCT) is the only trade charity dedicated to supporting the children of those working in the British fashion and textile industry. Financial difficulties can affect anyone at any time, regardless of their job. An unexpected change in circumstances at home can suddenly make it impossible for a parent to provide essential items for their child.

From our daily interactions with parents, we understand that economic strain not only impacts children's access to adequate clothing, bedroom furniture, and school essentials but also increases the stress on parents striving to meet their family's basic needs. The ongoing 'cost-of-life' crisis can severely affect mental health: as financial pressures intensify, the strain on mental wellbeing becomes more evident, leading to anxiety, stress, and depression emerging as a result. These financial pressures at home can undoubtedly have an impact on a parent's performance at work.

FTCT is at the heart of the UK fashion and textile sector, and the parents and carers who work in this sector are central to our day-to-day activities. Whether on the shop floor of a fashion retailer, at a textile manufacturer, a distribution centre, or a textile care company, we strive to build a reputation as a charity that listens, is empathetic, non-judgmental, kind, and fair, from the first enquiry through to the outcome. As a small team, we take immense pride in encouraging families to take the first step, always 'going the extra mile' throughout, working with each family on a case-by-case basis to achieve a positive outcome.

Our Heritage:

The Fashion & Textile Children's Trust was established in 1853 at the height of a vibrant and flourishing British silk and cotton weaving industry. Charles Dickens was the Chairman of Appeal in 1856 – in today's terms, a 'celebrity Ambassador'. Over the last 170 years, the industry has changed over time, and in step with this, FTCT has evolved alongside it. We now support children whose parents work in a wide range of fashion and textile related businesses, from warehouse to shop floor, design room to factory, we're here for every parent who finds themselves unable to provide essential items for their children.

Initially staffed by Chief Executive Anna Pangbourne in 2009, there are now six team members in total.

Royal Patronage

The Fashion & Textile Children's Trust was extremely privileged and honoured to have had such a long history of royal patronage from Her Majesty. Following His Majesty The King's Accession, the Royal Household is currently conducting a review of all Royal Patronages including our own.

Organisational Purpose:

The sole purpose of our Charity is to provide grants – a financial contribution – to families who work, or have previously worked, in the British fashion and textile industry. Our grants are not a loan and do not have to be re-paid by the parent or carer and similarly do not affect the benefits a parent receives. Additionally, there is no charge or membership fee to a company who works in partnership with our Charity.

Typically, our grants cover the cost of essential items and specialist items for their child (up to 18yrs) and is only considered when circumstances have changed at home or when ongoing situations, e.g. illness or disability mean that a parent is unable to afford the items their child needs. As part of the application process, we ask the parent to provide financial information, ensuring that we have a full understanding of home circumstances and that grants awarded are to those most in need. Once a grant is awarded, all receipts for grant items purchased must be returned within four weeks.

Review of the Year – Strategic Activities

This year, we awarded £407,180 in grants to support 849 children, significantly enhancing their opportunities and well-being. This represents an 11% increase in new grants awarded and a 3% rise in the number of children helped compared to last year, allowing us to reach even more children in need.

The key focus of this year has been the continued implementation of our five-year Business Plan 2021-2026, alongside the four enabling strategic projects.

Our overall Strategic Direction is to take an innovative approach to continue to help families cope during challenging times. Three strategic aims have been devised to support our strategic direction:

Children and Families	We aim to grow the number of children we support to extend the impact our grants give to the lives of UK children. To do this, we will maintain our grants awarded figure close to the amount given in the previous strategy period.
Financial Sustainability	We are ambitious in our fundraising targets and aim to fund the growth in children supported with a higher proportion of fundraising income, safeguarding the Charity for future generations.
Operational Excellence	We are determined to improve the level of service we deliver and aim to modernise our processes by embracing digital transformation, through cloud-based services and automated procedures.

For further information about our Strategic Objectives, please visit our website, as here.

During the third year of our strategy, we have successfully undertaken the following three strategic projects:

Children and Families: Ongoing development of a digital and more personalised application service for the families we support. We are continuously enhancing our digital and personalised application service for the families we support through our Customer Relationship Management (CRM) system. This includes a new automated email process that provides families with regular updates throughout their application journey, as well as clear and easy-to-follow guidance on our website. Additionally, the CRM enables us to gather key statistical data, helping us better understand and address the challenges our families face.

Financial Sustainability: We have continued to enhance our fundraising strategy, successfully collaborating with an increasing number of partners to boost sector-wide support. Our efforts span four main donor bases: Corporate, Events, Individuals, and Trusts and Foundations, with a primary focus on Corporates. We are proud to be partnering with 33 organizations (up from 20 in 2022/23), all of whom promote our grants and contribute annual donations. Additionally, we have strengthened our two annual fundraising campaigns: the Back-to-School Campaign and the Winter Appeal.

Operational Excellence: Thanks to the ongoing growth of our corporate partners and the resulting increase in a steadier stream of enquiries, we have been able to reduce the need to use social media advertising to boost enquiries when the pipeline is low. Our targeted messaging approach with our Partners has also led to improved conversion efficiencies. As we continue to develop our CRM processes, we expect further support for both our Grants and Fundraising functions.

Grants Achievement and Performance

The table below presents the net amount of new grants approved in 2023/2024, after deducting refunds and cancellations of grants committed in previous years:

Need	New Grants Approved 2023/24	Approved % Total	Number of New cases	% Beneficiaries
Financial Hardship	£139,634	34.28%	314	36.98%
Special Needs	£74,551	18.30%	166	19.55%
Separation/Divorce	£44,565	10.94%	93	10.95%
Mental Health	£43,610	10.71%	70	8.24%
Housing	£33,860	8.32%	57	6.71%
Illness	£31,580	7.76%	71	8.36%
Bereavement	£13,800	3.39%	24	2.83%
Disability	£12,460	3.06%	25	2.94%
Domestic Abuse	£6,580	1.62%	15	1.78%
Redundancy	£6,540	1.61%	14	1.66%
Total Recipients	**£407,180**	**100%**	**849**	**100%**

As shown in the table above and illustrated below, 79% of FTCT grants approved were for children affected by parental circumstances, such as financial hardship, redundancy, mental health, domestic violence or bereavement to support with essential items such as clothing, school uniform, bedroom furniture, appliances and home items and more.

21% of FTCT grants were for children with special needs or disability. Typically, grants were for extra tuition, speech and language therapy, specialist equipment, learning adaptations, occupational therapy, laptops to support learning and essential child access modifications to the family home.

FTCT continues to help families navigate challenging times. Using current national statistics for the number of children living in poverty and the number of people employed by the sector, this indicates we are only reaching a fraction of our potential beneficiary audience, meaning that the true number of beneficiaries eligible for our grants far exceeds the resources we have available.

By working in partnership with the sector, we can ensure we reach employees whose families are facing financial hardship in our sector.

Our grants can be awarded to those who currently work in the industry or have previously worked within the last nine years, providing that they have worked for a minimum of one year. The children in the family must be aged between 0 – 18 years.

Grants typically provided by FTCT include:

Essential items	Specialist items
Clothing and shoes, inc school uniforms and PE Kit	Mobility equipment
Children's bedroom furniture / Bedding	Sensory toys
White goods (fridge, cooker and washing machine)	Therapy
Essential household items	Respite activities
Study Essentials – Tablets / Laptops etc.	Specialist clothing

During the last 12 months, many families continue to be impacted by the cost-of-living crisis. A parent who was recently awarded a grant told FTCT: 'We would like to thank everyone at this charity for the support, my children will not go cold or uncomfortable this winter and we feel very supported. All the dedicated work and support that goes into this charity is greatly appreciated. It has relieved the ongoing pressure surrounding clothing the children in the winter months'

The FTCT team and Board of Trustees remain committed to significantly increasing the number of children we assist, to support families who work in our industry and as a result of our strategic direction.

FTCT Fundraising and Outreach Campaign 2023/24

Promotion continued across the British fashion and textile sector with many of our long-established industry partners including M&S, John Lewis Partnership, Boden and NEXT as well as textile care companies including CLEAN and Johnsons Hotel Linen. Our Working Together Agreement (WTA) provides a clear framework for all of our Partnerships and is two fold: asking companies to both promote our grants to employees and invest in our services. We are also delighted to be working in partnership with a growing portfolio of companies including Ralph Lauren, New Look, All Saints, BTMA, Kannegiesser, The White Company, Abraham Moon and Charles Trywhitt.

We were delighted to work in partnership with fashion brand JustHype who donated 100 backpacks to families receiving a grant from FTCT, as part of our Back To School Campaign. This was the first product partnership for FTCT.

Our continued charity partnership with UKFT (UK Fashion and Textile Association) has helped to raise further awareness and financial support. UKFT organised a Christmas Prize Draw on behalf of FTCT, raising nearly £1,000. FTCT also presented at a members' conference and led a webinar to highlight ways in which companies can promote financial wellbeing.

Work also concluded on FTCT's first brand film FTCT, produced by Postcard Productions, who kindly offered their services pro bono. The film was entered into the Charity Film Awards and FTCT was delighted to be a finalist. The film is regularly used across our social media channels and website.

We were also pleased to work in partnership with PureLondon, the UK's largest fashion trade show. FTCT was represented in a panel discussion alongside our invited Partners from The White Company, Luxury Lockstitch and Boden to discuss how leading fashion retailers are enhancing employee wellbeing, demonstrating the value of FTCT's grant support service.

Stakeholder support: We are proud to continue to be the official Drapers' Charity Partner at the three Drapers Awards Ceremonies held throughout the year. Attended by nearly 1,000 representatives from the sector, this is a unique opportunity to raise awareness, fundraise and continue to strengthen our network. FTCT would like to thank Jill Geoghan, Editor for her ongoing support.

We are also delighted to have been selected as the chosen charity by the Master of the Worshipful Company of Launderers, Charlie Betteridge, to whom we would like to offer our sincere thanks.

Net Fundraising: £175,364 for 2023/24. This included amounts in the following groupings:

Donations	**Groupings**	
Sainsbury's and FTCT Winter Appeal	£19,001	£20,000
Next	£18,001	£19,000
M&S PLC	£14,001	£18,000
B&M, New Look, Ralph Lauren UK	£9,001	£14,000
Drapers Awards, November 23	£8,001	£9,000
All Saints, John Lewis, Jojo Maman Bebe, The White Co, The Dyers Co, National Laundry Group	£4,001	£8,000
Salvation Army, Clean Linen Services, other Drapers Awards (Sept 23 / March 24), Interweave Textiles Ltd	£2,001	£4,000
BTMA, Christeyns UK Ltd, Jackson Workwear, Kannegiesser, Micronclean Ltd, Rowan Bentall Charitable Trust, The Society of Hospital Linen Services	£1,001	£2,000
Luxury Lockstitch, TSA Conference Book Sale, UKFT Summer Reception, Ralph Lauren Easter Fundraiser, Aberdeen Laundry, Salisbury Trading, Johnsons Hotel Linen, CMS Social Impact Fund, Girbau UK Ltd, Back to School Campaign, Winter Appeal and other.	£0	£1,000

Change to our Grants Policy regarding financial support for employees who work in the grocery sector

Our FTCT Grants Policy will soon undergo a significant change. From 1 January 2025, financial support for employees within grocery stores that sell clothing will be discontinued, marking a shift in resource allocation. This strategic move is designed to optimise the distribution of our funds and ensure the sustainability of our grant support service.

FTCT remains committed to a responsible transition, ensuring grocery sector employees are informed in advance and directed towards the appropriate trade charity and other available support organisations.

Public Benefit Statement

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

Our charitable objectives, as set out in our Trust Deed dated 1968, focus on the relief of poverty and support of education among children of any persons presently or formerly employed in the textile and allied trades. Today, we reflect these objectives by providing grants for everyday items to support a child's health and wellbeing, from school uniform and essential clothing to larger furniture items and specialist equipment. Our grants help to relieve financial pressure on families during challenging times, while making sure children have everything they need to thrive.

FINANCIAL REVIEW

Total income received during the year increased by 18.8% to £426,572 compared with £359,123 in the previous year. Investment income from securities reflected 0.7% rise in returns from those achieved in the previous year as a continued result of the measured transition to rebalance the capital base mix of the investment fund portfolio to reflect the adopted total returns policy. Income performance was enhanced by a 60% increase in returns from donations and fundraising incomes, £175,364 compared to £109,591 achieved in the previous year, reflecting an outperformance in Corporate/Community donations and Corporate/Individual events.

Total expenditure during the year amounted to £848,036, a 4.4% increase compared to £812,146 spent in the previous year. This increase mainly reflects our strategic grants programme coupled with organisational development activities that support our strategic goals.

Investment Policy and Performance

The Trustees appoint Investment Managers and delegate to them power at their discretion to buy and sell investments securities on their behalf in accordance with the investment policy laid down by the Trustees. The Trust's investments are managed on a discretionary basis by Quilter Cheviot. The Trustees have adopted a total return policy, with an investment objective of achieving long-term capital growth to the value of the portfolio, as well as generating agreed income levels through diversified funds and individual holdings in fixed income stocks, equities, alternative investments and cash. Historically, the emphasis had focused on income generation. The Trust's risk appetite remains medium, limiting equity exposure to a maximum of 75% of the portfolio, allowing the fund to accept a moderate variation or disruption to capital value or current income in order to meet the Charity's longer-term objectives.

Ethical and Responsible Investment

In principle the Trust wishes to be a responsible investor. Environmental, social and governance (ESG) criteria are a set of standards for an organisation operation that socially conscious investors, such as our charity, considers when reviewing their investments. Environmental criteria consider how an organisation performs as a steward of nature. Social criteria examine how it manages relationships with employees, suppliers, customers, and the communities where it operates. Governance deals with an organisation leadership, executive pay, audits, internal controls, and shareholder rights. Therefore, the investment managers are expected to take account of ESG issues in their investment analysis and decision-making processes and engage with company management when appropriate. The Managers send through, quarterly, a specific report covering ESG issues encountered during the period.

The Investment Manager has categorised the Charity's responsible investment preference is 'Aware' which means that the aim is to optimise financial returns for the given level of risk level, believing that to achieve this being aware of environmental, social and governance factors are important inputs.

The total income from the Trust's investment portfolio stood at £251,208 compared to the previous year's total of £249,532. During the year to 30 June 2024, allowing for capital withdrawals including fees during the year, the portfolio grew by 8.9% in capital terms and generated an income return of 3.9%, so overall a net increase of 12.8%. This compared to an increase in the benchmark, the MSCI PIMFA Balanced Index of 14.0% and the Asset Risk Consultants (ARC) Charity Steady Growth Index of 11.0%.

On a rolling 5-year basis, the portfolio has delivered a compound net total return of 33.2%, against 29.1% for the benchmark and 23.7% for the ARC Charity Steady Growth Index.

The Finance Committee continues to monitor the activities of the portfolio Managers and is satisfied with Quilter Cheviot's performance.

Reserves policy

The Trustees' policy is to distribute the income from investments and other sources to meet charitable demands, whilst optimising running costs and protecting the capital base to ensure that the Trust is able to meet all future charitable needs. In 2023/24 the sum of £202,390 was added to reserves (2022/23: £399,204 was deducted from reserves), mainly due to a £570,034 combined overall rise in realised and unrealised gains on investment assets compared to the prior year.

Total unrestricted income funds have remained at £0 (2022: £0) these funds were designated to fulfil commitments already made to support children's educational needs. These commitments have finally discharged in June 2022.

These commitments were conditional based on an annual review addressing the progress of the child concerned and any changes in the grants to support educational needs or in the financial situation of the parents. Dependent upon this, the grant was either continued at the previous level or increased (providing evidence is shown). In line with the Board's directive as from 1 July 2019, no further contributions will be considered for these types of grants.

Total endowment funds amount to £7,459,860 (2023: £7,257,470) all of which relates to the expendable endowment fund.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The principal addresses and details of professional advisers are included in the information sheet at the front of these accounts.

Governing Document

The Trust is constituted under a Declaration of Trust, dated 23 September 1968, amended by Charity Commission Scheme 214 (s) sealed 18 December 1995.

Appointment of Trustees

The Trust Deed of 1968 requires a minimum of four and a maximum of eighteen Trustees. Trustees are invited to join the Board; preference is given to those who are currently employed in senior positions in the fashion and textile, retail and manufacturing industry. Trustees, excluding the Chair, are elected by a resolution of the Trustees and serve for a period of four years after which they can be re-elected.

The Chair is elected by the Trustees and serves for a period of three years and a maximum of six years in the event of re-election.

Induction and Training

Each prospective Trustee meets with the Chief Executive, Chair and Trustee representative and attends a Trustee Meeting in advance of their appointment being confirmed. In December last year, four Trustees were successfully recruited to join the Board: Ann Campbell, Alia Gerar, Andrew Woodward and Phil Cooke. Each concluded an in-depth induction, which included details of the Charity, our Trust Deed, legal responsibilities and the latest governance information produced by the Charity Commission

Organisation

The Charity is governed by a Board of eleven Trustees, operating under the day-to-day management of the Chief Executive and team. The Trustees below all held office from 1 July 2023 to 30 June 2024:

Mike Taylor, (Chair of Trustees), Commercial Director, British Heart Foundation
Mike Trotman, (Chair, Finance Committee) Former CFO, Tom Dixon Group
David Shepherd, Former COO Trading, Arcadia
Ryan Becker, Managing Director, UK Visual Immersion
Vanessa Elias, Managing Director, CVUK
Robert Bready, Freelance Executive Consultant
Anne Secunda, Executive Consultant
Phil Cooke (Appointed 23 January 2024), Former Chief Product Officer, River Island
Alia Gerar (Appointed 23 January 2024), Head of Ecosystems, RethinkX
Andrew Woodward (Appointed 23 January 2024), Former Chief Marketing Officer, HUSH
Ann Campbell (Appointed 23 January 2024), Director of Corp Affairs, Cotton Connect

There are two sub-committees:

Finance Committee (Chair, Finance Committee Mike Trotman and Chair, FTCT, Mike Taylor) are responsible for the monitoring and control of total income, expenditure and for supervision of the Accounts. The performance of Quilter Cheviot is monitored by the Finance Committee.

The Cases Committee is responsible for assessing applications and reviewing applications for grants of over £750 per child, submitted by the Grants Team. There are currently three members of the Cases Committee, David Shepherd, Vanessa Elias and Alia Gerar, Trustees.

TRUSTEES' RESPONSIBILITIES IN RELATION TO FINANCIAL STATEMENTS

The Charity's Trustees are responsible for preparing the Trustee's Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (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 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 apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments' and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any 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 Trust Deed. 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. This Annual Report was approved by the Trustees on 23 January 2024 and signed on their behalf by:



Mike Taylor
Chair of Trustees

Date: 30 January 2025

Opinion

We have audited the financial statements of Fashion & Textile Children's Trust for the year ended 30 June 2024 which comprise statement of financial activities, balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 2024 and of its incoming resources and application of resources 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's 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 financial statements are 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, 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.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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 auditors' 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.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with

relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's 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 the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery LLP

Saffery LLP

Chartered Accountants

Westpoint
Peterborough Business Park
Lynch Wood
Peterborough
PE2 6FZ

Statutory Auditors

Date: 5 FEBRUARY 2025

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

FASHION & TEXTILE CHILDREN'S TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2024

	Notes	Unrestricted Income Funds £	Endowment Funds* £	Total 2024 £	Total 2023 £
Income and endowments from:					
Donations and legacies		-	175,364	175,364	109,591
Other trading activities		-	-	-	-
Income from Investments	2	251,208	-	251,208	249,532
Other incoming resources		-	-	-	-
Total Income and endowments		251,208	175,364	426,572	359,123
Expenditure on:					
Raising Funds	4	183,452	-	183,452	184,778
Charitable activities	5	664,584	-	664,584	627,368
Total Expenditure	3	848,036	-	848,036	812,146
Net gains/(losses) on investments	12	-	623,854	623,854	53,819
Net income/(expenditure)		(596,828)	799,218	202,390	(399,204)
Transfer between funds	16	596,828	(596,828)	-	-
Net (outgoing) resources before other recognised gains and losses		-	202,390	202,390	(399,204)
Other gains/(losses)		-	-	-	-
Net movement in funds for the year			202,390	202,390	(399,204)
Total funds brought forward	16		7,257,470	7,257,470	7,656,674
Total funds carried forward		-	7,459,860	7,459,860	7,257,470

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

The notes on pages 15 to 27 form part of these financial statements.

* The Endowment funds are mainly expendable as shown in note 16 on page 25.

Comparative figures are included on page 27.

FASHION & TEXTILE CHILDREN'S TRUST

BALANCE SHEET

AS AT 30 JUNE 2024

	Notes	2024 £	2023 £
Fixed assets			
Intangible fixed assets	11	-	-
Tangible fixed assets	11	3,909	5,951
Investments	12	7,313,659	6,805,397
		7,317,568	6,811,348
Current assets			
Debtors and prepayments	13	79,997	71,098
Cash at bank		104,969	412,300
		184,966	483,398
Creditors: amounts falling due within one year	14	(42,674)	(37,276)
Net current assets		142,292	446,122
Net assets		7,459,860	7,257,470
Unrestricted income funds			
- Designated fund	16	-	-
		-	-
Endowment funds			
- Expendable endowment	16	7,459,860	7,257,470
- Permanent endowment		-	-
		7,459,860	7,257,470
Total funds		7,459,860	7,257,470

The notes on pages 15 to 27 form part of these financial statements.

These accounts were approved by the Trustees on 30 January 2025 and signed on their behalf by:

Mike Taylor
Chair of Trustees

Mike Trotman
Chair Finance Committee

Charity information

The Fashion & Textile Children's Trust is a Charity domiciled and registered in England and Wales. The principal office is 44 Southampton Buildings, London, WC2A 1AP.

1 Accounting policies

1.1 Basis of accounting

These financial statements for the year ended 30 June 2024 of Fashion & Textile Children's Trust are prepared in accordance with the Charity Commission Statement of Recommended Practice - Accounting and Reporting by provisions of the Charities SORP (FRS 102) – Accounting and Reporting by Charities. The accounts have been prepared in accordance with the Charities Act 2011.

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The financial statements have been prepared in accordance with the Charity Commission Statement of Recommended Practice - Accounting and Reporting by provisions of the Charities SORP (FRS 102) – 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.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

Income is included in the Statement of Financial Activities when the Charity is entitled to the income and the amount can be measured with sufficient reliability. Incoming resources are categorised as follows:

Donations and legacies comprise gross amounts received by way of legacies, covenants, gift aid and donations and form part of the expendable endowment. For legacies, entitlement is the earlier of the Charity being notified of an impending distribution or the legacy being received. It is the Trustees' policy to treat any unrestricted legacy received as part of the Expendable Endowment; the object being to enhance the Trust's income available for use over future years, so that future beneficiaries can receive the direct benefits of the legacy occurred.

Other trading activities comprise gross amounts received by way of appeal projects and form part of the expendable endowment. Income from appeals is deferred where the income relates to the occurrence of a future event, the cancellation of which would result in a refund of the monies raised.

Income from investments comprises amounts receivable by way of dividends and interest and forms part of the unrestricted general fund.

Other income comprises of the receipts of any resources, which the Charity has not been able to allocate within the main income categories and forms part of the unrestricted funds or the endowment funds.

1 **Accounting policies (continued)**

1.4 **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis, inclusive of VAT and is reported as part of the expenditure to which it relates.

Expenditure on raising funds comprises the costs associated with attracting voluntary income, fundraising events and investment management costs.

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.

Governance costs include the costs associated with the general running and statutory requirements of the Charity and are recognised within support costs. It consists of auditors' remuneration and management and administration costs.

Costs are allocated between expenditure categories on a basis designed to reflect the use of the resource. Costs, including overheads relating to a particular activity are allocated directly. Support costs are apportioned on an appropriate basis e.g. staff time and estimated usage.

1.5 **Fundraising and publicity costs**

These include direct expenditure and support costs involved in raising the profile of the Charity and in fundraising events.

1.6 **Grants payable**

Grants are made in order to give financial support to families for day to day and specialist items aligned with the charitable objectives of the Charity. The liability for grants payable is recognised in the year in which the offer is made. The amount charged to the Statement of Financial Activities for the year comprises both grants paid in the year and payable within one year. The commitment in respect of grants payable within one year is included in creditors, where the commitment has been communicated in writing prior to the balance sheet date. The commitment in respect of future payments due after one year is accounted for by a transfer to designated funds. The amount held in the designated fund is therefore not disclosed as a future liability to reflect the fact that the Trustees carry out an annual review of all grants payable and retain the discretion to terminate any grant.

1.7 **Fixed Assets**

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Website	-	3 years

Tangible Fixed Assets

Depreciation of fixed assets is provided by equal annual instalments, calculated to write off the cost of assets over their estimated useful lives. These are:

Computer equipment	-	5 years
Office equipment	-	10 years

All assets, which have a useful economic life of more than one year, are capitalised at cost.

1 **Accounting policies (continued)**

1.8 **Investments**

Investments are included in the accounts at the market value ruling at the balance sheet date. The unrealised gains and losses arising as a result, together with any realised gains and losses on investments disposed of in the year, are included in the Statement of Financial Activities, forming part of the expendable endowment. Income from investments is recognised on an accruals basis and forms part of the unrestricted general fund.

1.9 **Fund accounting**

Funds held by the Charity are either:-

Unrestricted general funds:-
The general fund represents funds that can be used in accordance with the charitable objectives, at the discretion of the trustees and without having to take account of any restrictions. Any shortfall in the general fund is supplemented by a transfer from the Expendable Endowment, in accordance with the Trust Deed.

Designated funds:-
These funds represent the cost of ongoing grants for children currently receiving support. Transfers are made to or from the fund from the expendable endowment each year. The balance on the fund represents a future liability, being the amount committed by the trustees to specific charitable expenditure, communicated in writing prior to the balance sheet date and falling due for payment after more than one year. The payment of future grants is contingent upon the grant conditions being met and is subject to an annual review by the trustees, who retain the discretion to terminate any grant. These funds are treated as unrestricted.

Expendable endowment funds:-
These represent income received, which is credited to the fund in accordance with the trust deed, from which gifts or loans may be made to supplement any shortfall on the general fund or designated fund.

Permanent endowment funds:-
These funds represent the value at which donated assets have been capitalised. These assets were donated specifically for the purpose of use in fund raising events.

1.10 **Financial Instruments**

Financial assets are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets
Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Other financial assets classified as fair value through the statement of financial activities are measured at fair value.

Other financial assets
Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

1 **Accounting policies (continued)**

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets
Financial assets, other than those held at fair value through the statement of financial activities, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Classification of financial liabilities

Basic financial liabilities
Basic financial liabilities are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Other financial liabilities classified as fair value through the statement of financial activities are measured at fair value.

Other financial liabilities
Other financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expenses recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Derecognition of financial liabilities
Financial liabilities are derecognised when, and only when, the Charity's obligations are discharged, cancelled, or they expire.

1.11 **Cash and cash equivalents**
Cash at bank and cash in hand includes short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12 **Taxation**
The Charity is a registered Charity and is not liable to United Kingdom income tax or corporation tax on charitable activities.

1 Accounting policies (continued)

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Income from investments

	2024	2023
	£	£
Dividends, distributions and interest on bonds receivable	251,208	249,532
	251,208	249,532

3 Expenditure

	Direct Costs	Support Costs	Total 2024	Total 2023
	£	£	£	£
Expenditure on raising funds (note 4)	74,648	108,804	183,452	184,778
Charitable activities (note 5)	444,904	219,680	664,584	627,368
	519,552	328,484	848,036	812,146

4 Expenditure on raising funds

	2024	2023
	£	£
Costs of generating voluntary income		
Fundraising costs	9,295	25,132
Advertising & website costs	8,278	3,702
Publicity	5,574	8,946
Recruitment	1,680	300
Other costs	11,433	10,114
	36,260	48,194
Support costs (note 8)	108,804	98,019
	145,064	146,213
Investment management costs	38,388	38,565
	183,452	184,778

5 Charitable activities

	Grants (note 6) £	Direct costs £	Support costs (note 8) £	Total 2024 £	Total 2023 £
Large Grants	-	-	-	-	-
Medium and Small Grants	407,180	37,724	219,680	664,584	627,368
2024	407,180	37,724	219,680	664,584	627,368
2023	367,346	33,427	226,595		

6 Analysis of new grants

	2024 £	2023 £
Large Grants (paid & payable)		
- Paid directly to educational organisations on behalf of individuals	-	-
- Paid to individuals	-	-
- Prior year commitments reversed	-	-
	-	-
Medium Grants (paid & payable)		
- Paid directly to organisations on behalf of individuals	-	-
- Paid to individuals	47,121	42,940
	47,121	42,940
Small Grants (paid & payable)		
- Paid directly to organisations on behalf of individuals	-	-
- Paid to individuals	360,059	324,406
	360,059	324,406
Total grants for the year	407,180	367,346

7 Governance costs

	2024 £	2023 £
Audit fees (note 10)	12,000	12,060
Insurance	2,681	2,375
Professional fees (including Consultancy)	989	20,348
Other office costs	12,891	11,377
	28,561	46,160
Support costs (note 8)	(28,561)	(46,160)
	-	-

8 Support costs

	2024	2023
	£	£
Staff costs (note 9)	272,150	244,249
Bookkeeping costs (note 10)	361	270
Office costs	25,370	31,656
Depreciation	2,042	2,279
Governance costs (note 7)	28,561	46,160
	328,484	324,614
Allocated to:		
Expenditure on raising funds (note 4)	108,804	98,019
Charitable activities (note 5)	219,680	226,595
	328,484	324,614

9 Employees

	2024	2023
	£	£
Wages and salaries	243,619	217,877
National insurance	20,963	18,914
Employer's Pension	7,569	7,458
	272,150	244,249

	Number	Number
Number of employees		
The average number of employees during the year was:		
Management and administration	6	6

One employee earns in excess of £80,000 but less than £90,000 per annum (2023: one).

Total remuneration of key management personnel was £134,858 (2023: £128,716).

10 Auditors' and Accountants' remuneration

		2024	2023
		£	£
Audit	Saffery LLP	12,000	12,060
Bookkeeping	Bookkeeping & Office Services	361	270
		12,361	12,330

11 **Fixed Assets**

Intangible fixed assets

	Website	Total
	£	£
Cost		
At 1 July 2023	18,000	18,000
Additions	-	-
At 30 June 2024	18,000	18,000
Amortisation and impairment		
At 1 July 2023	18,000	18,000
Charge for the year	-	-
At 30 June 2024	18,000	18,000
Net book value		
At 30 June 2024	-	-
At 30 June 2023	-	-

Tangible fixed assets

	Computer Equipment	Total
	£	£
Cost		
At 1 July 2023	29,675	29,675
Additions	-	-
At 30 June 2024	29,675	29,675
Depreciation		
At 1 July 2023	23,724	23,724
Charge for the year	2,042	2,042
At 30 June 2024	25,766	25,766
Net book value		
At 30 June 2024	3,909	3,909
At 30 June 2023	5,951	5,951

12 Investments

	2024 £	2023 £
Quoted investments		
Market value at 1 July 2023	6,418,483	7,044,554
Additions and other adjustments	541,225	1,037,794
Disposals proceeds	(503,403)	(1,717,684)
Realised gain/(loss) on investments	(28,330)	190,664
Unrealised gain/(loss) on investments	652,184	(136,845)
Market value at 30 June 2024	7,080,159	6,418,483
Cash held at investment managers	233,500	386,914
	7,313,659	6,805,397
Historical cost at 30 June 2024	5,406,650	5,397,157

All investments are held primarily to provide an investment return for the Charity.

Geographical Analysis		2024 £	2023 £
United Kingdom	- Fixed Interest	962,922	945,320
Overseas	- Fixed Interest	107,894	105,639
United Kingdom	- Equity	1,728,538	1,578,933
Europe	- Equity	657,922	574,086
USA	- Equity	2,054,035	1,676,182
Asia	- Equity	342,805	289,013
Japan	- Equity	159,598	148,610
Emerging Markets	- Equity	190,261	175,234
Global	- Equity	82,560	82,560
Alternative Investments	- Property	793,624	842,906
	- Equity		
		7,080,159	6,418,483

All investment income is derived from investments traded on the UK stock exchange.

13 Debtors and prepayments

	2024 £	2023 £
Other debtors	5,760	11,065
Prepayments	12,917	13,186
Accrued income	61,320	46,847
	79,997	71,098

14 Creditors: amounts falling due within one year

	2024 £	2023 £
Large Grants payable (see below)	-	-
Medium and Small Grants payable (see below)	600	2,460
Taxation and Social security	6,790	4,769
Company Credit card	4,853	4,648
Sundry creditors	3,798	-
Accruals	26,633	25,399
	42,674	37,276

The Trustees have included as a liability grants payable within one year that have been communicated in writing prior to the balance sheet date.

	2024 £	2023 £
Large Grants payable at 1 July 2023	-	-
Medium Grants payable at 1 July 2023	2,460	3,885
Small Grants payable at 1 July 2023	-	600
	2,460	4,485
New commitments/ Transfers to/from designated fund (note 6)	407,180	367,346
Paid during the year	(409,040)	(369,371)
	600	2,460
Large Grants payable at 30 June 2024	-	-
Medium Grants payable at 30 June 2024	600	2,460
Small Grants payable at 30 June 2024	-	-
Total Grants carried forward payable 2023/24	600	2,460

15 Grant commitments

The payment of future grants is contingent upon grant conditions being met and is subject to an annual review by the Trustees, who retain the discretion to terminate any grant. The balance on the designated fund, representing the future liability at the balance sheet date was £0 (2023: £0).

16 **Funds 2024**

	Unrestricted		Restricted		
	General fund £	Designated fund £	Expendable endowment £	Permanent endowment £	Total 2024 £
At 1 July 2023	-	-	7,257,470	-	7,257,470
Income	251,208	-	175,364	-	426,572
Expenditure	(848,036)	-	-	-	(848,036)
Transfers	596,828	-	(596,828)	-	-
Gain/(loss) on revaluation and disposal of investment assets	-	-	623,854	-	623,854
At 30 June 2024	-	-	7,459,860	-	7,459,860

Funds 2023

	Unrestricted		Restricted		
	General fund £	Designated fund £	Expendable endowment £	Permanent endowment £	Total 2023 £
At 1 July 2022	-	-	7,656,674	-	7,656,674
Income	249,532	-	109,591	-	359,123
Expenditure	(812,146)	-	-	-	(812,146)
Transfers	562,614	-	(562,614)	-	-
Gain/(loss)on revaluation and disposal of investment assets	-	-	53,819	-	53,819
At 30 June 2023	-	-	7,257,470	-	7,257,470

17 **Analysis of assets between funds 2024**

	Unrestricted		Restricted		
	General fund £	Designated fund £	Expendable endowment £	Permanent endowment £	Total 2024 £
Intangible fixed assets	-	-	-	-	-
Tangible fixed assets	-	-	3,909	-	3,909
Investments	-	-	7,313,659	-	7,313,659
Current assets	-	-	184,966	-	184,966
Current liabilities	-	-	(42,674)	-	(42,674)
Net Assets	-	-	7,459,860	-	7,459,860

Analysis of assets between funds 2023

	Unrestricted		Restricted		
	General fund £	Designated fund £	Expendable endowment £	Permanent endowment £	Total 2023 £
Intangible fixed assets	-	-	-	-	-
Tangible fixed assets	-	-	5,951	-	5,951
Investments	-	-	6,805,397	-	6,805,397
Current assets	-	-	483,398	-	483,398
Current liabilities	-	-	(37,276)	-	(37,276)
Net Assets	-	-	7,257,470	-	7,257,470

18 **Related Parties**

No Trustee, or persons connected with the Trustees, received any remuneration or were reimbursed any expenses from the Charity during the year (2022-23: None).

19 **Operating Lease Commitments**

At 30 June 2024 the Charity had annual commitments under non-cancellable operating leases:

Operating leases which expire:	Service Office Sublease Agreement
Within one year	£23,544
Within two to five years	£37,404

FASHION & TEXTILE CHILDREN'S TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2023

	Notes	Unrestricted Income Funds £	Endowment Funds* £	Total 2023 £
Income and endowments from:				
Donations and legacies		-	109,591	109,591
Other trading activities		-	-	-
Income from Investments	2	249,532	-	249,532
Other incoming resources		-	-	-
Total Income and endowments		249,532	109,591	359,123
Expenditure on:				
Raising Funds	4	184,778	-	184,778
Charitable activities	5	627,368	-	627,368
Total Expenditure	3	812,146	-	812,146
Net Gain on investments	12	-	53,819	53,819
Net income/(expenditure)		(562,614)	163,410	(399,204)
Transfer between funds		562,614	(562,614)	-
Net (outgoing) resources before other recognised gains and losses		-	(399,204)	(399,204)
Other gains/(losses)		-	-	-
Net movement in funds for the year		-	(399,204)	(399,204)
Total funds brought forward		-	7,656,674	7,656,674
Total funds carried forward		-	7,257,470	7,257,470

THE FASHION & TEXTILE CHILDREN'S TRUST

England & Wales - Charity number 257136

Accounts



Trustees' Report & Financial Statements

for the year ending June 2023

fashion & textile children's trust.

A lifeline for families since 1853

REFERENCE AND ADMINISTRATIVE DETAILS

Name:	Fashion & Textile Children's Trust
Registered Charity Number:	257136 (England and Wales)
Principal Office:	44 Southampton Buildings, London WC2A 1AP E-Mail: anna@ftct.org.uk Website: www.ftct.org.uk Telephone: 0300-123-9002 / M: 07753 605367
Trustees at 30 June 2023:	Mike Taylor, (Chair of Trustees), Commercial Director, British Heart Foundation Mike Trotman, (Chair, Finance Committee) CFO Tom Dixon Group David Shepherd, (Cases Committee), Former COO Trading, Arcadia Ryan Becker, Managing Director, UK Visual Immersion Vanessa Elias, (Cases Committee), Managing Director, CVUK Robert Bready, Freelance Executive Consultant Anne Secunda, Executive Consultant
Chief Executive:	Anna Pangbourne
Bankers:	Barclays Business 1st Floor, 27 Soho Square London W1D 3QR
Solicitors:	FieldFisher Riverbank House 2, Swan Lane London EC4R 3TT
Auditors:	Saffery LLP Westpoint Peterborough Business Park Lynch Wood Peterborough PE2 6FZ
Investment Managers:	Quilter Cheviot Investment Management Senator House, 85 Queen Victoria Street, London, EC4V 4AB

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FASHION & TEXTILE CHILDREN'S TRUST
CHAIR'S STATEMENT
FOR THE YEAR ENDED 30 JUNE 2023

I am delighted to introduce the Annual Report and Accounts for 2023.

This year, FTCT has given financial support to 832 children of families who work in the British fashion and textile experienced an unexpected change at home such as bereavement, relationship breakdown or sickness which prevents a parent from continuing to work.

Whilst we proudly mark our 170th year, the relevance of FTCT could not be greater. The challenges of the cost-of-living crisis continues to impact many families across the UK who face mounting bills, creating financial anxiety.

The reality is stark; using national statistics figures for the number of UK children living in poverty and the number of people employed in the sector, our own research shows that 1 in 10 employees in the sector may need our help today.

As the only organisation that is dedicated to providing financial support for parents who work in the British fashion and textile industry, we are uniquely placed to support those that are being hardest hit.

Our Business Plan, which incorporates our Strategy to reach families in our sector, is now available to view on our website. Please click here to view.

Our Vision: We believe no child should have to live without the essential items they need to thrive.

Our Mission: To provide financial grants to support the children of UK fashion and textile families, improving their wellbeing.

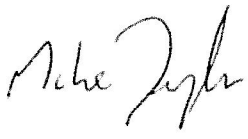
Our strategic direction is: To take an innovative approach to extending the lifespan of the Charity and continue to help families cope during challenging times.

Our three key focus areas to support our strategic direction are: Children and Families, Financial Sustainability and Operational Excellence.

The success of our strategy is solely dependent on financial support from industry. By 2026 we aim to have awarded £2m in grants in 5 years to support 4,424 children. To support this, we aim to fundraise £640,000 in donations – a 90% increase on our last strategic period. In our last financial year and following from the implementation of our fundraising strategy, we successfully raised £109,591 – a 32% increase on the previous year. However, we are not complacent and recognise the need to continue to reach out to companies in our sector to ensure that we continue to grow the number of companies we work with.

As guardians of the Charity at this time, we are here to act in the best interests of current and future beneficiaries. By working with FTCT, companies can be part of our community of partners providing a lifeline for industry families with nowhere else to turn. Every single grant awarded really does make such a difference. One of the parents recently supported told us:
"All my wages go to childcare, rent and bills. With the funds you have provided, I have been able to purchase essential winter clothing for my daughter. She is in love with her new wellies and winter coat and it's a struggle to take them off her! A huge weight has been lifted, but, most of all, you have alleviated the dreaded mum guilt I have felt"

I want to thank the Board of Trustees for their invaluable support and time that they commit to the Charity, to the team for their hard work and commitment and to the growing number of companies in the British fashion and textile sector who have supported us in the last year.



MIKE TAYLOR
Chair of Trustees **Date: 23 January 2024**

The Trustees present their report along with the financial statements of the Charity for the year ended June 2023. The financial statements have been prepared in accordance with the accounting policies set out on pages 14 to 18 and comply with the Charity's Trust Deed and applicable law.

INTRODUCTION

The Fashion & Textile Children's Trust, (FTCT), is the only organisation dedicated to supporting the children of people who work in the British fashion and textile industry. Financial difficulties can hit anyone at any time. An unexpected change in circumstances can suddenly make it impossible for a parent to provide the essential items their child needs. Our focus is on helping parents who finds themselves unable to afford essential items like clothes, bedroom furniture or study equipment.

Undoubtedly the impact of the pandemic 2020/21, combined with the continued skyrocketing costs of living, the fashion and textile sector itself continues to feel the squeeze from rising supplier charges and consumers who are having to change their spending habits.

For FTCT, parents and carers are at the core of everything we do – whether they work on the shop floor of a fashion retailer, at a textile manufacturer, a laundry company, a supermarket that sells clothing. We strive to continue to build a reputation as a Charity that listens, is empathetic, kind and fair, from the first enquiry through to outcome. As a small team we take huge pride in being able to help families during difficult times, by 'going the extra mile', working with each family on a case by case basis and treating every parent or carer, with care, compassion and kindness.

Our Heritage:

The Fashion & Textile Children's Trust was established in 1853 at the height of a vibrant and flourishing British silk and cotton weaving industry. Charles Dickens was the Chairman of Appeal in 1856 – in today's terms, a 'celebrity Ambassador'. As the industry has changed over time, FTCT has evolved alongside it; we now support children whose parents work in a wide range of fashion and textile related businesses, including clothes shops, supermarkets, commercial laundries and soft furnishing brands. From catwalk to curtains, from the boardroom to the shop floor, we're here for every parent who finds themselves unable to provide essential items for their children.

Initially staffed by Chief Executive Anna Pangbourne in 2009, there are now six team members in total.

Royal Patronage

The Fashion & Textile Children's Trust was extremely privileged and honoured to have had such a long history of royal patronage from Her Majesty. Following His Majesty The King's Accession, the Royal Household is conducting a review of Royal Patronage. The review will cover the organisations of which Her Majesty Queen Elizabeth II was Patron. In the interim, we have been asked to invite six representatives to the Royal Christmas Carol Concert, Westminster Abbey, 8 December 2023, hosted by Kate Middleton, Princess of Wales. Guests of FTCT will include some of the families and children we have supported and volunteers, also.

Organisational Purpose:

The sole purpose of our Charity is to provide grants – a financial contribution – to families who work, or have previously worked, in the British fashion and textile industry. Our grants are not a loan and do not have to be re-paid by the parent or carer. Additionally, there is no charge or membership fee to a company who works in partnership with our Charity.

Typically, our grants cover the cost of essential items and also specialist items for their child (up to 18yrs) and is only considered when circumstances have changed at home and the parent is unable to afford these items themselves. As part of the application process, we ask the parent to provide financial information ensuring that the grants awarded are to those most in need. In the event that a parent is not eligible for a

grant, we will always support, encourage and signpost the parent to contact other charities and organisations that may be able to help.

Review of the Year – Strategic Activities

This year we awarded £367,346 in new and existing grant committed payments to 825 children which reflects a 20% increase from the previous year.

The key focus of this year has been the continued implementation of our five-year Business Plan 2021-2026, alongside the four enabling strategic projects.

Our overall Strategic Direction is to take an innovative approach to continue to help families cope during challenging times. Three strategic aims have been devised to support our strategic direction:

Children and Families	We aim to grow the number of children we support to extend the impact our grants give to the lives of UK children. To do this, we will maintain our grants awarded figure close to the amount given in the previous strategy period.
Financial Sustainability	We are ambitious in our fundraising targets and aim to fund the growth in children supported with a higher proportion of fundraising income, safeguarding the Charity for future generations.
Operational Excellence	We are determined to improve the level of service we deliver and aim to modernise our processes by embracing digital transformation, through cloud-based services and automated procedures.

For further information about our Strategic Objectives, please visit our website, as here.

In the second year of our strategy, we have successfully undertaken the following three strategic projects:
Children and Families: Ongoing development of a digital and more personalised application service for the families we support.

Financial Sustainability: Applied our fundraising strategy and collaborated with a growing number of partners to increase the level of support we receive from across the sector.

Operational Excellence: Implemented our Customer Relationship Management (CRM) system and developed our message hierarchy to create narratives for our approach to companies.

Grants Achievement and Performance

The table below presents the net amount of new grants approved in 2022/2023, after deducting the cancellations of grants committed in previous years:

Need	New Grants Approved 2022/23	Approved % Total	Number of New cases	% Beneficiaries
Financial Hardship	£154,675	42.09%	371	44.97%
Special Needs	£49,209	13.40%	105	12.73%
Separation/Divorce	£47,070	12.81%	109	13.21%
Mental Health	£35,586	9.69%	78	9.45%
Housing	£25,670	6.99%	48	5.82%
Illness	£24,270	6.61%	49	5.94%
Bereavement	£9,830	2.68%	25	3.03%
Disability	£8,116	2.21%	18	2.18%
Domestic Abuse	£7,120	1.94%	9	1.09%
Redundancy	£5,800	1.58%	13	1.58%
Total Recipients	**£367,346**	**100%**	**825**	**100%**

As shown in the table above and illustrated below, 84% of FTCT grants approved were for children affected by parental circumstances, such as financial hardship, redundancy, mental health, domestic violence or bereavement to support with essential items such as clothing, school uniform, bedroom furniture, appliances and home items and more.

16% of FTCT grants were for children with special needs or disability. Typically, grants were for extra tuition, speech and language therapy, specialist equipment, learning adaptations, occupational therapy, laptops to support learning and essential child access modifications to the family home.

FTCT continues to help families navigate challenging times. Using current national statistics for the number of children living in poverty and the number of people employed by the sector, this indicates we are only reaching a fraction of our potential beneficiary audience, meaning that the true number of beneficiaries eligible for our grants far exceeds the resources we have available.

By working in partnership with the sector, we can ensure we reach employees whose families are facing financial hardship in our sector.

Our grants can be awarded to those who currently work in the industry or have previously worked within the last nine years, providing that they have worked for a minimum of one year.

Grants typically provided by FTCT include:

Essential items	Specialist items
Clothing and shoes, inc school uniforms and PE Kit	Mobility equipment
Children's bedroom furniture / Bedding	Sensory toys
White goods (fridge, cooker and washing machine)	Therapy
Essential household items	Respite activities
Study Essentials – Tablets / Laptops etc.	Specialist clothing

During the last 12 months, many families continue to be impacted by the cost-of-living crisis.
A parent who was recently awarded a grant told FTCT:
'We would like to thank everyone at this charity for the support, my children will not go cold or uncomfortable this winter and we feel very supported. All the dedicated work and support that goes into this charity is greatly appreciated. It has relieved the ongoing pressure surrounding clothing the children in the winter months'

The FTCT team and Board of Trustees remain committed to significantly increasing the number of children we assist, to support families who work in our industry and as a result of our strategic direction.

FTCT Fundraising and Outreach Campaign 2022/23

Promotion continued across the British fashion and textile sector with many of our long-standing industry partners including M&S, John Lewis Partnership, Boden and NEXT as well as laundry companies including CLEAN and Johnsons Hotel Linen. As a reflection of our new fundraising strategy, we introduced our Working Together Agreement (WTA). Our request to companies has been two-fold: to promote FTCT to their employees and to invest in our services. We are delighted to be working in partnership with a growing portfolio of companies including B&M, Boohoo, ACS and Ralph Lauren. Our new charity partnership with UKFT (UK Fashion and Textile Association) has helped to raise further awareness with their respective member companies and we look to forge further partnerships with member associations going forward.

FTCT has benefitted greatly from the ongoing collaboration with Oaks Fundraising Consultancy, whose team provided us with expert advice and assistance on our fundraising strategy. Thanks to their guidance and support, we were able to raise £109,591 in donations, surpassing our annual target of £83,000.

As part of our marketing strategy, we appointed Brand Communication Agency, A Studio of our Own (ASOOO) to develop our message hierarchy - shaping compelling narratives for our approach to companies. With support from ASOOO, our brand guidelines were reviewed, which culminated in a brand colour refresh, reflected across our promotional tools. In parallel with this, FTCT is delighted to have had the opportunity to work with Postcard Productions, who kindly offered their services pro bono, to produce a short commercial style video for FTCT, which will be shared January 2024.

From feedback, we know that FTCT can be a place for families to turn to, when all other avenues have been exhausted. One family told us:
"The grant has been a great help for me and my kids. My baby can sleep comfortable in his cot and life is easy for me now that I have a washing machine"

Stakeholder support: We continue to be Drapers' Charity Partner and receive regular promotion through press article and at the Drapers Awards; this year FTCT was invited to be the chosen Charity Partner for the Drapers Sustainable Awards, bringing the total to three. FTCT would like to thank Jill Geoghan, Editor for her ongoing support.

Net Fundraising: £109,591 for 2022/23. This included:

£15,000	Boohoo
£15,000	B&M
£15,000	M&S PLC
£10,510	LK Bennett
£10,000	JP Boden & CO
£10,000	Next PLC
£5,000	John Lewis Partnership
£5,000	Johnsons Hotel Linen
£3,450	NLG LTD
£13,009	Drapers Awards
£2,891	London Marathon
£4,730	Others

Public Benefit Statement

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'. Our charitable objectives, as set out in our Trust Deed dated 1968, focus on the relief of poverty and support of education among children of any persons presently or formerly employed in the textile and allied trades. Today, we reflect these objectives by providing grants for everyday items to support a child's health and wellbeing, from school uniform and essential clothing to larger furniture items and specialist equipment. Our grants help to relieve financial pressure on families during challenging times, while making sure children have everything they need to thrive.

FINANCIAL REVIEW

Total income received during the year increased by 14% to £359,123 compared with £315,054 in the previous year. Investment income from securities reflected 4% decline in returns from those achieved in the previous year as a continued result of the measured transition to rebalance the capital base mix of the investment fund portfolio to reflect the adopted total returns policy. Income performance was enhanced by a 100% increase in returns from donations and fundraising incomes, £109,591 compared to £54,765 achieved in the previous year, reflecting an outperformance in Corporate/Community events and Corporate/Individual donations.

Total expenditure during the year amounted to £812,146, a 16% increase compared to £698,875 spent in the previous year. This increase mainly reflects our strategic grants programme coupled with organisational development activities that support our strategic goals.

Investment Policy and Performance

The Trustees appoint Investment Managers and delegate to them power at their discretion to buy and sell investments securities on their behalf in accordance with the investment policy laid down by the Trustees. The Trust's investments are managed on a discretionary basis by Quilter Cheviot. The Trustees have adopted a total return policy, with an investment objective of achieving long-term capital growth to the value of the portfolio, as well as generating agreed income levels through diversified funds and individual holdings in fixed income stocks, equities, alternative investments and cash. Historically, the emphasis had focused on income generation. The Trust's risk appetite remains medium, limiting equity exposure to a maximum of 75% of the portfolio, allowing the fund to accept a moderate variation or disruption to capital value or current income in order to meet the Charity's longer-term objectives.

Ethical and Responsible Investment

In principle the Trust wishes to be a responsible investor. Environmental, social and governance (ESG) criteria are a set of standards for an organisation operations that socially conscious investors, such as charity, consider when reviewing their investments. Environmental criteria consider how an organisation performs as a steward of nature. Social criteria examine how it manages relationships with employees, suppliers, customers, and the communities where it operates. Governance deals with an organisation leadership, executive pay, audits, internal controls, and shareholder rights. Therefore, the investment managers are expected to take account of ESG issues in their investment analysis and decision-making processes and engage with company management when appropriate. The Managers send through, quarterly, a specific report covering ESG issues encountered during the period.

The Investment Manager has categorised the Charity's responsible investment preference is 'Aware' which means that the aim is to optimise financial returns for the given level of risk level, believing that to achieve this being aware of environmental, social and governance factors are important inputs.

The total income from the Trust's investment portfolio stood at £249,532 compared to the previous year's total of £260,289. During the year to 30 June 2023, allowing for capital withdrawals including fees during the year, the portfolio remained static in capital terms and generated an income return of 3.7%, so overall a net increase of 3.7%. This compared to an increase in the benchmark, the MSCI PIMFA Balanced Index of 4.0% and the Asset Risk Consultants (ARC) Charity Steady Growth Index of 3.2%.

On a rolling 5-year basis, the portfolio has delivered a compound net total return of 24.3%, against 18.9% for the benchmark and 17.2% for the ARC Charity Steady Growth Index.

The Finance Committee continues to monitor the activities of the portfolio Managers and is satisfied with Quilter Cheviot's performance.

Reserves policy

The Trustees' policy is to distribute the income from investments and other sources to meet charitable demands, whilst optimising running costs and protecting the capital base to ensure that the Trust is in a position to meet all future charitable needs. In 2022/23 the sum of £399,204 was deducted from reserves (2021/22: £675,337 was deducted from reserves), mainly due to a £345,335 combined overall rise in realised and unrealised gains on investment assets compared to the prior year.

Total unrestricted income funds have remained at £0 (2022: £0) these funds were designated to fulfil commitments already made to support children's educational needs. These commitments have finally discharged in June 2022.

These commitments were conditional based on an annual review addressing the progress of the child concerned and any changes in the grants to support educational needs or in the financial situation of the parents. Dependent upon this, the grant was either continued at the previous level or increased (providing evidence is shown). In line with the Board's directive as from 1 July 2019, no further contributions will be considered for these types of grants.

Total endowment funds amount to £7,257,470 (2022: £7,656,674) all of which relates to the expendable endowment fund.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The principal addresses and details of professional advisers are included in the information sheet at the front of these accounts.

Governing Document

The Trust is constituted under a Declaration of Trust, dated 23 September 1968, amended by Charity Commission Scheme 214 (s) sealed 18 December 1995.

Appointment of Trustees

The Trust Deed of 1968 requires a minimum of four and a maximum of eighteen Trustees. Trustees are invited to join the Board; preference is given to those who are currently employed in senior positions in the fashion and textile, retail and manufacturing industry. Trustees, excluding the Chair, are elected by a resolution of the Trustees and serve for a period of four years after which they can be re-elected.

The Chair is elected by the Trustees and serves for a period of three years and a maximum of six years in the event of re-election.

Induction and Training

Each prospective Trustee meets with the Chief Executive, Chair and Trustee representative and also attends a Trustee Meeting in advance of their appointment being confirmed. Comprehensive Trustee

Training and an Induction Pack is given to all new Trustees, which includes all current activities, details of the Charity, our Trust Deed, legal responsibilities and the latest governance information produced by the Charity Commission.

Organisation

The Charity is governed by a Board of eight Trustees, operating under the day-to-day management of the Chief Executive and team. The Trustees below all held office from 1 July 2022 to 30 June 2023:

Mike Taylor, (Chair of Trustees), Commercial Director, British Heart Foundation
Mike Trotman, (Chair, Finance Committee) CFO, Tom Dixon Group
David Shepherd, (Former COO Trading, Arcadia)
Ryan Becker, Managing Director, UK Visual Immersion
Vanessa Elias, Managing Director, CVUK
Robert Bready, Freelance Executive Consultant
Anne Secunda, Executive Consultant
Kristin Cramborn Knoflach, Senior Marketing Manager, Klarna (Resigned April 2023)

There are three sub-committees:

Finance Committee (Chair, Finance Committee Mike Trotman and Chair, FTCT, Mike Taylor) are responsible for the monitoring and control of total income, expenditure and for supervision of the Accounts. The performance of Quilter Cheviot is monitored by the Finance Committee.

The Cases Committee is responsible for assessing applications and reviewing applications for grants of over £750 per child, submitted by the Grants Team. There are currently two members of the Cases Committee, David Shepherd and Vanessa Elias, Trustees.

Nominations Committee Non-operational at present: no Trustee appointments pending.

TRUSTEES' RESPONSIBILITIES IN RELATION TO FINANCIAL STATEMENTS

The Charity's Trustees are responsible for preparing the Trustee's Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (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 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 apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments' and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any 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 Trust Deed. 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. This Annual Report was approved by the Trustees on 23 January 2024 and signed on their behalf by:



Mike Taylor
Chair of Trustees

Opinion

We have audited the financial statements of Fashion & Textile Children's Trust for the year ended 30 June 2023 which comprise statement of financial activities, balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 2023 and of its incoming resources and application of resources 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's 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 financial statements are 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, 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.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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 auditors' 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.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with

relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's 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 the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

.....

Saffery LLP

Saffery LLP

Westpoint
Peterborough Business Park
Lynch Wood
Chartered Peterborough
Accountants PE2 6FZ

Statutory Auditors

Date: 7 FEBRUARY 2024

Saffery LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

FASHION & TEXTILE CHILDREN'S TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2023

	Notes	Unrestricted Income Funds £	Endowment Funds* £	Total 2023 £	Total 2022 £
Income and endowments from:					
Donations and legacies		-	109,591	109,591	54,765
Other trading activities		-	-	-	
Income from Investments	2	249,532	-	249,532	260,289
Other incoming resources		-			
Total Income and endowments		249,532	109,591	359,123	315,054
Expenditure on:					
Raising Funds	4	184,778	-	184,778	112,178
Charitable activities	5	627,368	-	627,368	586,697
Total Expenditure	3	812,146	-	812,146	698,875
Net gains/(losses) on investments	12	-	53,819	53,819	(291,516)
Net income/(expenditure)		(562,614)	163,410	(399,204)	(675,337)
Transfer between funds	16	562,614	(562,614)	-	-
Net (outgoing) resources before other recognised gains and losses		-	(399,204)	(399,204)	(675,337)
Other gains/(losses)		-	-	-	-
Net movement in funds for the year			(399,204)	(399,204)	(675,337)
Total funds brought forward	16		7,656,674	7,656,674	8,332,011
Total funds carried forward		-	7,257,470	7,257,470	7,656,674

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

The notes on pages 14 to 25 form part of these financial statements.

* The Endowment funds are mainly expendable as shown in note 16 on page 24.

Comparative figures are included on page 25.

FASHION & TEXTILE CHILDREN'S TRUST

BALANCE SHEET
AS AT 30 JUNE 2023

	Notes	2023 £	2022 £
Fixed assets			
Intangible fixed assets	11	-	-
Tangible fixed assets	11	5,951	4,426
Investments	12	6,805,397	7,103,040
		6,811,348	7,107,466
Current assets			
Debtors and prepayments	13	71,098	55,537
Cash at bank		412,300	532,983
		483,398	588,520
Creditors: amounts falling due within one year	14	(37,276)	(39,312)
Net current assets		446,122	549,208
Net assets		7,257,470	7,656,674
Unrestricted income funds			
- Designated fund	16	-	-
		-	-
Endowment funds			
- Expendable endowment	16	7,257,470	7,656,674
- Permanent endowment		-	-
		7,257,470	7,656,674
Total funds		7,257,470	7,656,674

The notes on pages 14 to 25 form part of these financial statements.

These accounts were approved by the Trustees on 23 January 2024 and signed on their behalf by:

.....
Mike Taylor
Chair of Trustees

.....
Mike Trotman
Chairman Finance Committee

Charity information

The Fashion & Textile Children's Trust is a Charity domiciled and registered in England and Wales. The principal office is 44 Southampton Buildings, London, WC2A 1AP.

1 Accounting policies

1.1 Basis of accounting

These financial statements for the year ended 30 June 2023 of Fashion & Textile Children's Trust are prepared in accordance with the Charity Commission Statement of Recommended Practice - Accounting and Reporting by provisions of the Charities SORP (FRS 102) – Accounting and Reporting by Charities. The accounts have been prepared in accordance with the Charities Act 2011.

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The financial statements have been prepared in accordance with the Charity Commission Statement of Recommended Practice - Accounting and Reporting by provisions of the Charities SORP (FRS 102) – 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.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

Income is included in the Statement of Financial Activities when the Charity is entitled to the income and the amount can be measured with sufficient reliability. Incoming resources are categorised as follows:

Donations and legacies comprise gross amounts received by way of legacies, covenants, gift aid and donations and form part of the expendable endowment. For legacies, entitlement is the earlier of the Charity being notified of an impending distribution or the legacy being received. It is the Trustees' policy to treat any unrestricted legacy received as part of the Expendable Endowment; the object being to enhance the Trust's income available for use over future years, so that future beneficiaries can receive the direct benefits of the legacy occurred.

Other trading activities comprise gross amounts received by way of appeal projects and form part of the expendable endowment. Income from appeals is deferred where the income relates to the occurrence of a future event, the cancellation of which would result in a refund of the monies raised.

Income from investments comprises amounts receivable by way of dividends and interest and forms part of the unrestricted general fund.

Other income comprises of the receipts of any resources, which the Charity has not been able to allocate within the main income categories and forms part of the unrestricted funds or the endowment funds.

1 **Accounting policies (continued)**

1.4 **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis, inclusive of VAT and is reported as part of the expenditure to which it relates.

Expenditure on raising funds comprises the costs associated with attracting voluntary income, fundraising events and investment management costs.

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.

Governance costs include the costs associated with the general running and statutory requirements of the Charity and are recognised within support costs. It consists of auditors' remuneration and management and administration costs.

Costs are allocated between expenditure categories on a basis designed to reflect the use of the resource. Costs, including overheads relating to a particular activity are allocated directly. Support costs are apportioned on an appropriate basis e.g. staff time and estimated usage.

1.5 **Fund raising and publicity costs**

These include direct expenditure and support costs involved in raising the profile of the Charity and in fundraising events.

1.6 **Grants payable**

Grants are made in order to give financial support to families for day to day and specialist items aligned with the charitable objectives of the Charity. The liability for grants payable is recognised in the year in which the offer is made. The amount charged to the Statement of Financial Activities for the year comprises both grants paid in the year and payable within one year. The commitment in respect of grants payable within one year is included in creditors, where the commitment has been communicated in writing prior to the balance sheet date. The commitment in respect of future payments due after one year is accounted for by a transfer to designated funds. The amount held in the designated fund is therefore disclosed as a future liability to reflect the fact that the Trustees carry out an annual review of all grants payable and retain the discretion to terminate any grant.

1.7 **Fixed Assets**

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Website	-	3 years

Tangible Fixed Assets

Depreciation of fixed assets is provided by equal annual instalments, calculated to write off the cost of assets over their estimated useful lives. These are:

Computer equipment	-	5 years
Office equipment	-	10 years

All assets, which have a useful economic life of more than one year, are capitalised at cost.

1 **Accounting policies (continued)**

1.8 **Investments**

Investments are included in the accounts at the market value ruling at the balance sheet date. The unrealised gains and losses arising as a result, together with any realised gains and losses on investments disposed of in the year, are included in the Statement of Financial Activities, forming part of the expendable endowment. Income from investments is recognised on an accruals basis and forms part of the unrestricted general fund.

1.9 **Fund accounting**

Funds held by the Charity are either:-

Unrestricted general funds:-
The general fund represents funds that can be used in accordance with the charitable objectives, at the discretion of the trustees and without having to take account of any restrictions. Any shortfall in the general fund is supplemented by a transfer from the Expendable Endowment, in accordance with the Trust Deed.

Designated funds:-
These funds represent the cost of ongoing grants for children currently receiving support. Transfers are made to or from the fund from the expendable endowment each year. The balance on the fund represents a future liability, being the amount committed by the trustees to specific charitable expenditure, communicated in writing prior to the balance sheet date and falling due for payment after more than one year. The payment of future grants is contingent upon the grant conditions being met and is subject to an annual review by the trustees, who retain the discretion to terminate any grant. These funds are treated as unrestricted.

Expendable endowment funds:-
These represent income received, which is credited to the fund in accordance with the trust deed, from which gifts or loans may be made to supplement any shortfall on the general fund or designated fund.

Permanent endowment funds:-
These funds represent the value at which donated assets have been capitalised. These assets were donated specifically for the purpose of use in fund raising events.

1.10 **Financial Instruments**

Financial assets are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets
Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Other financial assets classified as fair value through the statement of financial activities are measured at fair value.

Other financial assets
Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

1 **Accounting policies (continued)**

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets
Financial assets, other than those held at fair value through the statement of financial activities, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Classification of financial liabilities

Basic financial liabilities
Basic financial liabilities are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Other financial liabilities classified as fair value through the statement of financial activities are measured at fair value.

Other financial liabilities
Other financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expenses recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Derecognition of financial liabilities
Financial liabilities are derecognised when, and only when, the Charity's obligations are discharged, cancelled, or they expire.

1.11 **Cash and cash equivalents**
Cash at bank and cash in hand includes short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12 **Taxation**
The Charity is a registered Charity and is not liable to United Kingdom income tax or corporation tax on charitable activities.

1 Accounting policies (continued)

1.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Income from investments

	2023	2022
	£	£
Dividends, distributions and interest on bonds receivable	249,532	260,289
	249,532	260,289

3 Expenditure

	Direct Costs	Support Costs	Total 2023	Total 2022
	£	£	£	£
Expenditure on raising funds (note 4)	86,759	98,019	184,778	112,178
Charitable activities (note 5)	400,773	226,595	627,368	586,697
	487,532	324,614	812,146	698,875

4 Expenditure on raising funds

	2023	2022
	£	£
Costs of generating voluntary income		
Fundraising costs	25,132	138
Advertising & website costs	3,702	1,573
Publicity	8,946	567
Recruitment	300	-
Other costs	10,114	8,075
	48,194	10,353
Support costs (note 8)	98,019	60,881
	146,213	71,234
Investment management costs	38,565	40,944
	184,778	112,178

5 Charitable activities

	Grants (note 6) £	Direct costs £	Support costs (note 8) £	Total 2023 £	Total 2022 £
Large Grants	-	-	-	-	21,570
Medium and Small Grants	367,346	33,427	226,595	627,368	565,127
2023	367,346	33,427	226,595	627,368	586,697
2022	298,501	24,166	264,030		

6 Analysis of new grants

	2023 £	2022 £
Large Grants (paid & payable)		
- Paid directly to educational organisations on behalf of individuals	-	7,500
- Paid to individuals	-	-
- Prior year commitments reversed	-	(7,500)
	-	-
Medium Grants (paid & payable)		
- Paid directly to organisations on behalf of individuals	-	-
- Paid to individuals	42,940	33,810
	42,940	33,810
Small Grants (paid & payable)		
- Paid directly to organisations on behalf of individuals	-	-
- Paid to individuals	324,406	264,691
	324,406	264,691
Total grants for the year	367,346	298,501

7 Governance costs

	2023 £	2022 £
Audit fees (note 10)	12,060	10,800
Insurance	2,375	2,040
Professional fees (including Consultancy)	20,348	31,260
Other office costs	11,377	2,758
	46,160	46,858
Support costs (note 8)	(46,160)	(46,858)
	-	-

8 Support costs

	2023	2022
	£	£
Staff costs (note 9)	244,249	245,930
Bookkeeping costs (note 10)	270	1,119
Office costs	31,656	28,832
Depreciation	2,279	2,172
Governance costs (note 7)	46,160	46,858
	324,614	324,911
Allocated to:		
Expenditure on raising funds (note 4)	98,019	60,881
Charitable activities (note 5)	226,595	264,030
	324,614	324,911

9 Employees

	2023	2022
	£	£
Wages and salaries	217,877	222,139
National insurance	18,914	16,748
Employer's Pension	7,458	7,043
	244,249	245,930

	Number	Number
Number of employees		
The average number of employees during the year was:		
Management and administration	5	6

One employee earns in excess of £80,000 but less than £90,000 per annum (2022: one).

Total remuneration of key management personnel was £128,716 (2022: £121,868).

10 Auditors and Accountants' remuneration

		2023	2022
		£	£
Audit	Saffery Champness	12,060	10,800
Bookkeeping	Bookkeeping & Office Services	270	1,119
		12,330	11,919

11 Fixed Assets

Intangible fixed assets

	Website £	Total £
Cost		
At 1 July 2022	18,000	18,000
Additions	-	-
At 30 June 2023	18,000	18,000
Amortisation and impairment		
At 1 July 2022	18,000	18,000
Charge for the year	-	-
At 30 June 2023	18,000	18,000
Net book value		
At 30 June 2023	-	-
At 30 June 2022	-	-

Tangible fixed assets

	Computer Equipment £	Office Equipment £	Total £
Cost			
At 1 July 2022	25,871	-	25,871
Additions	3,804	-	3,804
At 30 June 2023	29,675	-	29,675
Depreciation			
At 1 July 2022	21,445	-	21,445
Charge for the year	2,279	-	2,279
At 30 June 2023	23,724	-	23,724
Net book value			
At 30 June 2023	5,951	-	5,951
At 30 June 2022	4,426	-	4,426

12 Investments

	2023 £	2022 £
Quoted investments		
Market value at 1 July 2022	7,044,554	7,717,331
Additions and other adjustments	1,037,794	679,668
Disposals proceeds	(1,717,684)	(1,060,924)
Realised gain/(loss) on investments	190,664	156,663
Unrealised gain/(loss) on investments	(136,845)	(448,184)
Market value at 30 June 2023	6,418,483	7,044,554
Cash held at investment managers	386,914	58,486
	6,805,397	7,103,040
Historical cost at 30 June 2023	5,397,157	5,886,385

All investments are held primarily to provide an investment return for the Charity.

Geographical Analysis		2023 £	2022 £
United Kingdom	- Fixed Interest	945,320	607,708
Overseas	- Fixed Interest	105,639	108,378
United Kingdom	- Equity	1,578,933	1,775,187
Europe	- Equity	574,086	485,378
USA	- Equity	1,676,182	1,699,289
Asia	- Equity	289,013	269,956
Japan	- Equity	148,610	144,980
Emerging Markets	- Equity	175,234	174,419
Global	- Equity	82,560	397,457
Alternative Investments	- Property	842,906	1,381,802
	- Equity		
		6,418,483	7,044,554

All investment income is derived from investments traded on the UK stock exchange.

13 Debtors and prepayments

	2023 £	2022 £
Other debtors	11,065	10,780
Prepayments	13,186	10,184
Accrued income	46,847	34,573
	71,098	55,537

14 Creditors: amounts falling due within one year

	2023	2022
	£	£
Large Grants payable (see below)	-	-
Medium and Small Grants payable (see below)	2,460	4,485
Taxation and Social security	4,769	4,427
Company Credit card	4,648	2,585
Other creditors	-	-
Accruals	25,399	27,815
	37,276	39,312

The Trustees have included as a liability grants payable within one year that have been communicated in writing prior to the balance sheet date.

	2023	2022
	£	£
Large Grants payable at 1 July 2022	-	7,500
Medium Grants payable at 1 July 2022	3,885	5,350
Small Grants payable at 1 July 2022	600	-
	4,485	12,850
New commitments/ Transfers to/from designated fund (note 6)	367,346	298,501
Paid during the year	(369,371)	(306,866)
	2,460	4,485
Large Grants payable at 30 June 2023	-	-
Medium Grants payable at 30 June 2023	2,460	3,885
Small Grants payable at 30 June 2023	-	600
Total Grants carried forward payable 2022/23	2,460	4,485

15 Grant commitments

The amount committed by the Trustees to specific charitable expenditure, communicated in writing prior to the balance sheet date and falling due for payment after more than one year, has been accounted for by way of a transfer to the designated fund. These relate to support for children with additional needs, at fee paying schools: in October 2018, the Board unanimously agreed that no further contributions would be considered for the above as from 1 July 2019. During 2021/22 this decreased to £0, with the final grant payments having been concluded in June 2022.

The payment of future grants is contingent upon grant conditions being met and is subject to an annual review by the Trustees, who retain the discretion to terminate any grant. The balance on the designated fund, representing the future liability at the balance sheet date was £0 (2022: £0).

16 **Funds**

	Unrestricted		Restricted			
	General fund £	Designated fund £	Expendable endowment £	Permanent endowment £	Total 2023 £	Total 2022 £
At 1 July 2022	-	-	7,656,674	-	7,656,674	8,332,011
Income	249,532	-	109,591	-	359,123	315,054
Expenditure	(812,146)	-	-	-	(812,146)	(698,875)
Transfers	562,614	-	(562,614)	-	-	-
Gain/(loss)on revaluation and disposal of investment assets	-	-	53,819	-	53,819	(291,516)
At 30 June 2023	-	-	7,257,470	-	7,257,470	7,656,674

17 **Analysis of assets between funds**

	Unrestricted		Restricted			
	General fund £	Designated fund £	Expendable endowment £	Permanent endowment £	Total 2023 £	Total 2022 £
Intangible fixed assets	-	-	-	-	-	-
Tangible fixed assets	-	-	5,951	-	5,951	4,426
Investments	-	-	6,805,397	-	6,805,397	7,103,040
Current assets	-	-	483,398	-	483,398	588,520
Current liabilities	-	-	(37,276)	-	(37,276)	(39,312)
	-	-	7,257,470	-	7,257,470	7,656,674

18 **Related Parties**

No Trustee, or persons connected with the Trustees, received any remuneration or were reimbursed any expenses from the Charity during the year (2021-22: None).

19 **Operating Lease Commitments**

At 30 June 2023 the Charity had annual commitments under non-cancellable operating leases:

Operating leases which expire:	Service Office Sublease Agreement
Within one year	£21,924
Within two to five years	£11,484

FASHION & TEXTILE CHILDREN'S TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2022 (Re-stated)

	Notes	Unrestricted Income Funds £	Endowment Funds* £	Total 2022 £
Income and endowments from:				
Donations and legacies		-	54,765	54,765
Other trading activities		-	-	-
Income from Investments	2	260,289	-	260,289
Other incoming resources		-	-	-
Total Income and endowments		260,289	54,765	315,054
Expenditure on:				
Raising Funds	4	112,178	-	112,178
Charitable activities	5	586,697	-	586,697
Total Expenditure	3	698,875		698,875
Net Loss on investments	12	-	(291,516)	(291,516)
Net expenditure		(438,586)	(236,751)	(675,337)
Transfer between funds		438,586	(438,586)	-
Net (outgoing) resources before other recognised gains and losses		-	(675,337)	(675,337)
Other gains/(losses)		-	-	-
Net movement in funds for the year		-	(675,337)	(675,337)
Total funds brought forward		-	8,332,011	8,332,011
Total funds carried forward		-	7,656,674	7,656,674

THE FASHION & TEXTILE CHILDREN'S TRUST

England & Wales - Charity number 257136

Accounts



2021–2022

Trustees' Report & Financial Statements

for the year ended 30th June 2022

fashion & textile children's trust.

Financial grants for children of UK fashion and textile families

REFERENCE AND ADMINISTRATIVE DETAILS

Name:	Fashion & Textile Children's Trust
Registered Charity Number:	257136 (England and Wales)
Principal Office:	The Space UK 235 High Holborn London WC1V 7LE E-Mail: anna@ftct.org.uk Website: www.ftct.org.uk Telephone: 0300-123-9002 / M: 07753 605367
Trustees at 30 June 2022:	Mike Taylor, (Chair of Trustees), Commercial Director, British Heart Foundation Mike Trotman, (Chair, Finance Committee) CFO Tom Dixon Group David Shepherd, (Former COO Trading, Arcadia) Ryan Becker, Managing Director, UK Visual Immersion Vanessa Elias, Managing Director, CVUK Robert Bready, Freelance Executive Consultant Anne Secunda, Executive Consultant Kristin Cramborn Knoflach, Senior Marketing Manager, Klarna
Chief Executive:	Anna Pangbourne
Bankers:	Barclays Bank UK PLC 1st Floor, 27 Soho Square London W1D 3QR
Solicitors:	FieldFisher Riverbank House 2, Swan Lane London EC4R 3TT
Auditors:	Saffery Champness LLP Westpoint Peterborough Business Park Lynch Wood Peterborough PE2 6FZ
Investment Managers:	Quilter Cheviot Investment Management Senator House, 85 Queen Victoria Street, London, EC4V 4AB

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I am delighted to introduce the Annual Report and Accounts for 2022.

This year, FTCT has given financial support to 689 children of families who work in the British fashion and textile industry with Grants totaling £306,866 - families who are facing financial hardship and have experienced a significant change at home such as bereavement, disability, relationship breakdown or sickness.

As the pandemic receded, the challenge of the cost of living crisis started to severely impact many families across the UK. Households are struggling to cope with much higher energy bills this autumn and winter, combined with inflation at a 40 year high and the strong possibility of a recession in 2023.

Families on low incomes are being hardest hit; it is a stark reality that 1.5m adults in the UK have less than £100 in emergency savings. FTCT has never been more needed since our foundation in 1853.

During the last year, we have successfully finalised our new Business Plan which incorporates our new Strategy going forward; within the Business Plan, we have reviewed our Vision and Mission.

Our Vision: We believe no child should have to live without the essential items they need to thrive

Our Mission: To provide financial grants to support the children of UK fashion and textile families, improving their wellbeing.

As a result of our revised Vision, there are three key focus areas to support our Strategic direction: Children and Families, Financial Sustainability and Operational Excellence.

However, the success of our strategy is dependent on financial support from the industry. It is now a matter of urgency that we work together, to ensure that we can reach employees whose families are facing financial hardship in our sector. Just as businesses rely on the passion and hard work of its employees, so we, as a not-for-profit organisation, rely on the support of the sector, so we can be there for employees in times of need.

On behalf of the Staff and Trustees of FTCT, I would like to thank all those organisations and individuals who have supported us in the last year.

You all play a vital role and the Charity simply couldn't make the difference to Children and Families in our sector without you.



MIKE TAYLOR, Chair

The Trustees present their report along with the financial statements of the Charity for the year ended 30 June 2022. The financial statements have been prepared in accordance with the accounting policies set out on pages 15 to 19 and comply with the Charity's Trust Deed and applicable law.

INTRODUCTION

The Fashion & Textile Children's Trust, (FTCT), is the only organisation dedicated to supporting the children of people who work in the British fashion and textile industry. Financial difficulties can hit anyone at any time. An unexpected change in circumstances can suddenly make it impossible for a parent to provide the essential items their child needs. Our focus is helping those who are facing financial difficulty and as a result, are struggling to meet the basic needs of the children in the family.

Following the pandemic of 2020/21, the fashion and textile industry has continued to face significant challenges with a high level of redundancies, downsizing and corporate insolvencies. The cost of living crisis looks set to impose further pressures on employees and their families, creating record levels of demand for our grants.

Families are at the heart of everything we do. We strive to continue to build a reputation as a Charity that listens, is empathetic, kind and fair, from the first enquiry through to outcome. As a small team we take huge pride in being able to help families during difficult times, by 'going the extra mile', working with each family on a case by case basis and treating every parent or carer, with care and kindness.

Our Heritage:

The Fashion & Textile Children's Trust was established in 1853 at the height of a vibrant and flourishing British silk and cotton weaving industry. As the industry has changed over time, FTCT has evolved alongside it; we now support children whose parents work in a wide range of fashion and textile related businesses, including clothes shops, supermarkets, laundrettes and soft furnishing brands. From catwalk to curtains, from the boardroom to the shop floor, we're here for every parent who finds themselves unable to provide essential items for their children.

Initially staffed by Chief Executive Anna Pangbourne in 2009, there are now five team members in total.

Royal Patronage

Finally, we would also like to take this opportunity to remember Her Majesty The Queen, former Patron of our Charity for over 70 years. The Fashion & Textile Children's Trust was extremely privileged and honoured to have had such a long history of royal patronage from Her Majesty and will continue to deliver financial help for those most in need, in line with our charity objectives supported by Her Majesty.

Organisational Purpose:

The sole purpose of our Charity is to provide grants – a financial contribution – to families who work, or have previously worked, in the British fashion and textile industry. Our grants are not a loan and do not have to be re-paid by the parent or carer. Additionally, there is no charge or membership fee to a company who works in partnership with our Charity.

Typically, our grants cover the cost of everyday items and also specialist items for their child (up to 18yrs) and is only considered when the parent is unable to afford these items themselves. As part of the application process, we ask the parent to provide financial information and show why they are not able to afford these items at this time, ensuring that the grants awarded are to those most in need.

Review of the Year – Strategic Activities

This year we dispersed £306,866 in new and existing grant committed payments to 689 children. Whilst this was a decrease on the £509,192 granted in 2020/21, the Trustees agreed this had been an exceptional year at the height of the pandemic where large scale administrations such as Arcadia and Debenhams occurred. This resulted in our highest ever grants programme, in line with our previous strategic targets.

The key focus of this year has been the finalisation of our new five-year Business Plan 2021- 2026, as well as the implementation of four strategic projects undertaken by our team of five.

Our overall Strategic Direction is to take an innovative approach to continue to help families cope during challenging times. Three strategic aims have been devised to support our strategic direction:

Children and Families	We aim to grow the number of children we support to extend the impact our grants give to the lives of UK children. To do this, we will maintain our grants awarded figure close to the amount given in the previous strategy period.
Financial Sustainability	We are ambitious in our fundraising targets and aim to fund the growth in children supported with a higher proportion of fundraising income, safeguarding the Charity for future generations.
Operational Excellence	We are determined to improve the level of service we deliver and aim to modernise our processes by embracing digital transformation, through cloud-based services and automated procedures.

For further information please visit our website: www.ftct.org.uk

In the first year of our strategy, we have successfully undertaken the following four strategic projects:

Children and Families: Review of our grants policy was completed and approved by the Board of Trustees

Financial Sustainability: A new fundraising strategy and partnership strategy has been developed to maximise the support we receive from across the sector.

Operational Excellence:

- FTCT's in-house Server was replaced by SharePoint, a cloud-based system in January 2022. FTCT's new cloud-based CRM portal Salesforce will be implemented in October 2022.
- A Brand Communications Agency has been sourced and work will start in September 2022, to develop our communications strategy to synchronise all functions of the charity.

Grants Achievement and Performance

The table and charts below show the total new grants approved during 2021/22

Need	New Grants Approved 2021/22	Approved % Total	Number of New cases	% Beneficiaries
Financial Hardship	£137,330	46.01%	324	47.16%
Mental Health	£34,230	11.47%	89	12.95%
Illness	£24,930	8.35%	55	8.01%
Separation/Divorce	£23,800	7.97%	53	7.71%
Disability	£15,876	5.32%	33	4.80%
Redundancy	£15,870	5.32%	36	5.24%
Special Needs	£14,525	4.87%	39	5.68%
Domestic Abuse	£13,400	4.49%	22	3.20%
Rehoused	£9,930	3.33%	20	2.91%
Bereavement	£8,610	2.87%	16	2.34%
Total Recipients	**£298,501**	**100%**	**687**	**100%**

As shown in the table above and illustrated below, 90% of FTCT grants approved were for children affected by parental circumstances, such as financial hardship, redundancy, mental health, domestic violence or bereavement to support with essential items such as clothing, school uniform, bedroom furniture, appliances and home items and more.

10% of FTCT grants were for children with special needs or disability. Typically, grants were for extra tuition, speech and language therapy, specialist equipment, learning adaptations, occupational therapy, laptops to support learning and essential child access modifications to the family home.

In light of the growing need for financial support, FTCT continues to help families cope during challenging times. Using current national statistics for the number of children living in poverty and the number of people employed by the sector, this indicates we are only reaching a fraction of our potential beneficiary audience, meaning that the true number of beneficiaries eligible for our grants far exceeds the resources we have available.

It is now a matter of urgency that the industry and FTCT work together, to ensure that we can reach employees whose families are facing financial hardship in our sector.

Our grants can be awarded to those who currently work in the industry or have previously worked within the last nine years, providing that they have worked for a minimum of one year.

Grants typically provided by FTCT include:

Essential items	Specialist items
Clothing and shoes, inc school uniforms and PE Kit	Mobility equipment
Children's bedroom furniture / Bedding	Sensory toys
White goods (fridge, cooker and washing machine)	Therapy
Essential household items	Respite activities
Study Essentials – Tablets / Laptops etc.	Specialist clothing

During the last 12 months, many families who were financially impacted by the pandemic, due to reduced hours, furlough or redundancy are now likely to be in even greater debt: Credit card debt is rising and a quarter having no savings.

A parent who was recently awarded a grant said:

"I would definitely recommend Fashion & Textile Children's Trust to anyone that works in the fashion and textile industry and is going through financial struggle. The grant was an enormous help for my family. I was able to buy items my son needed without putting myself further into debt."

The FTCT team and Board of Trustees remain committed to significantly increasing the number of children we assist, to support families who work in our industry and as a result of our strategic direction.

FTCT Outreach Campaign 2021/22

Promotion continued across the British fashion and textile sector with many of our long-standing industry partners including M&S, John Lewis Partnership and NEXT, as well as other familiar and new textile and laundry companies. Our collaboration with the Textile Services Association and the Textile Recycling Association raised further awareness with their respective member companies.

FTCT was also featured as part of the M&S Healthy Finances Week - the blog content and accompanying video interview, sparking 80 enquiries to the charity from M&S employees in 24 hours. Our partnership was also featured in Marketing Week as an example of how the industry works with us. Our Grants were also highlighted in the Sun newspaper and The Guardian, generating a high number of enquiries and interest.

The annual school uniform campaign, alongside outreach to charities, debt advisors and support workers all contributed to the £298,501 total grants awarded.

From feedback, we know that FTCT can be a place for families to turn to, when all other avenues have been exhausted. One family told us:

"I'm a single mum of four and work part time, each month is a continued struggle financially, I found myself not being able to provide my children with new school uniform, shoes etc so was advised to apply. The people, were lovely and supportive. Charities like this give you a breather in life's sometimes difficult paths"

Stakeholder support: We continue to be Drapers' Charity Partner and receive regular promotion through press article and at the Drapers Awards. FTCT would like to thank Kirsty McGregor, former Editor and Jill Geoghan, Editor for their ongoing support.

Net Fundraising: £54,764 for 2021/22. This included:

£15,000	Marks and Spencer
£10,000	Next plc
£10,000	Drapers Charitable Foundation
£10,000	John Lewis
£2,785	Drapers Events
£1,536	First Friday
£1,025	NLP Ltd
£4,418	Other Corporate & Individual Donations: TPT (UK) LTD, J.F.C.

Public Benefit Statement

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

FINANCIAL REVIEW

Total income received during the year decreased by 9% to £315,054 compared with £345,916 in the previous year. Investment income from securities has reflected similar returns from those achieved in the previous year as a continued result of the measured transition to rebalance the capital base mix of the investment fund portfolio to reflect the adopted total returns policy. Income performance was reduced by a 34% decrease in returns from donations and fundraising incomes, £54,765 compared to £82,479 achieved in the previous year, reflecting an underperformance in Corporate/Community events and Corporate/Individual donations.

Total expenditure during the year amounted to £698,875 a 15% decrease compared to £823,454 spent in the previous year. In the previous year, this has been an exceptional period owing to Covid in terms of demand and as a result the Trustees agreed to award the highest ever level of grants.

Investment Policy and Performance

The Trustees appoint Investment Managers and delegate to them power at their discretion to buy and sell investments securities on their behalf in accordance with the investment policy laid down by the Trustees. The Trust's investments are managed on a discretionary basis by Quilter Cheviot. The Trustees have adopted a total return policy, with an investment objective of achieving long-term capital growth to the value of the portfolio, as well as generating agreed income levels through diversified funds and individual holdings in fixed income stocks, equities, alternative investments and cash. Historically, the emphasis had focused on income generation. The Trust's risk appetite remains medium, limiting equity exposure to a maximum of 75% of the portfolio, allowing the fund to accept a moderate variation or disruption to capital value or current income in order to meet the Charity's longer-term objectives.

The total income from the Trust's investment portfolio stood at £260,289 compared to the previous year's total of £260,951. During the year to 30 June 2022, the portfolio decreased in capital terms by -5.0% and generated an income return of 3.4%, so overall a net decline of -1.6%. This compared to a decline in the benchmark, the MSCI PIMFA Balanced Index of -4.3% and the Asset Risk Consultants (ARC) Charity Steady Growth Index of -5.8%. On a rolling 5-year basis, the portfolio has delivered a compound net total return of 28.2%, against 22.2% for the benchmark and 19.7% for the ARC Charity Steady Growth Index.

The Finance Committee continues to monitor the activities of the portfolio Managers and is satisfied with Quilter Cheviot's performance.

Reserves policy

The Trustees' policy is to distribute the income from investments and other sources to meet charitable demands, whilst optimising running costs and protecting the capital base to ensure that the Trust is in a position to meet all future charitable needs. In 2021/22 the sum of £675,337 was deducted from reserves

(2020/21: £443,834 was added to reserves), mainly due to a £1,212,888 combined overall decline in realised and unrealised gains on investment assets compared to prior year.

Total unrestricted income funds have reduced to £0 (2021: £0) these funds were designated to fulfil commitments already made to support children's educational needs. These commitments have finally been discharged in June 2022.

They were conditional based on an annual review addressing the progress of the child concerned and any changes in the grants to support educational needs or in the financial situation of the parents. Dependent upon this, the grant was either continued at the previous level or increased (providing evidence is shown). In line with the Board's directive as from 1 July 2019, no further contributions will be considered for these types of grants.

Total endowment funds amount to £7,656,674 (2021: £8,332,011) all of which relates to the expendable endowment fund.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The principal addresses and details of professional advisers are included in the information sheet at the front of these accounts.

Governing Document

The Trust is constituted under a Declaration of Trust, dated 23 September 1968, amended by Charity Commission Scheme 214 (s) sealed 18 December 1995.

Appointment of Trustees

The Trust Deed of 1968 requires a minimum of four and a maximum of eighteen Trustees. Trustees are invited to join the Board; preference is given to those who are currently employed in senior positions in the fashion and textile, retail and manufacturing industry. Trustees, excluding the Chair, are elected by a resolution of the Trustees and serve for a period of four years after which they can be re-elected.

The Chair is elected by the Trustees and serves for a period of three years and a maximum of six years in the event of re-election.

Induction and Training

Each prospective Trustee meets with the Director and the Nominations Committee and also attends a Trustee Meeting in advance of their appointment being confirmed. A Trustee Induction Pack is given to all new Trustees, which includes details of the Charity, our Trust Deed, legal responsibilities and the latest governance information produced by the Charity Commission.

Organisation

The Charity is governed by a Board of eight Trustees, operating under the day to day management of the Chief Executive and team:

The Trustees below all held office from 1 July 2021 to 30 June 2022:
Mike Taylor, (Chair of Trustees), Commercial Director, British Heart Foundation
Mike Trotman, (Chair, Finance Committee) CFO, Tom Dixon Group
David Shepherd, (Former COO Trading, Arcadia)
Ryan Becker, Managing Director, UK Visual Immersion
Vanessa Elias, Managing Director, CVUK
Robert Bready, Freelance Executive Consultant
Anne Secunda, Executive Consultant
Kristin Cramborn Knoflach, Senior Marketing Manager, Klarna
Richard Sims resigned as a Trustee on 24 January 2022. Our thanks to Richard for his commitment and contribution to the charity

There are three sub-committees:

Finance Committee (Chair, Finance Committee Mike Trotman and Chair, FTCT, Mike Taylor) are responsible for the monitoring and control of total income, expenditure and for supervision of the Accounts. The performance of Quilter Cheviot is monitored by the Finance Committee.

Cases Committee is responsible for assessing applications and reviewing grants over £750 per child, submitted by the Grants Manager. There are currently two members of the Cases Committee, David Shepherd, Vanessa Elias, Trustees.

Nominations Committee (Non-operational at present: no Trustee appointments pending)

TRUSTEES' RESPONSIBILITIES IN RELATION TO FINANCIAL STATEMENTS

The Charity's Trustees are responsible for preparing the Trustee's Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (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 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 apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments' and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any 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 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 Trust Deed. 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.

This Annual Report was approved by the Trustees on 24 January 2023 and signed on their behalf by:



Mike Taylor
Chair of Trustees

Opinion

We have audited the financial statements of Fashion and Textiles Children's Trust for the year ended 30 June 2022 which comprise statement of financial activities, balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 2022 and of its incoming resources and application of resources 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's 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 financial statements are 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, 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.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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 auditors' 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.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's 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 the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

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Saffery Champness LLP

Westpoint
Peterborough Business Park
Lynch Wood
Chartered Accountants Peterborough
Statutory Auditors PE2 6FZ

Date:

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

FASHION & TEXTILE CHILDREN'S TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2022

	Notes	Unrestricted Income Funds £	Endowment Funds* £	Total 2022 £	Total 2021 £
Income and endowments from:					
Donations and legacies		-	7,151	7,151	25,779
Other trading activities		-	47,614	47,614	56,701
Income from Investments	2	260,289	-	260,289	260,951
Other incoming resources		-			2,485
Total Income and endowments		260,289	54,765	315,054	345,916
Expenditure on:					
Raising Funds	4	112,178	-	112,178	52,775
Charitable activities	5	586,697	-	586,697	770,679
Total Expenditure	3	698,875	-	698,875	823,454
Net gains/(losses) on investments	12	-	(291,516)	(291,516)	921,372
Net income/(expenditure)		(438,586)	(236,751)	(675,337)	443,834
Transfer between funds	16	438,586	(438,586)	-	-
Net (outgoing) resources before other recognised gains and losses		-	(675,337)	(675,337)	443,834
Other gains/(losses)		-	-	-	-
Net movement in funds for the year			(675,337)	(675,337)	443,834
Total funds brought forward	16		8,332,011	8,332,011	7,888,177
Total funds carried forward		-	7,656,674	7,656,674	8,332,011

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.
The notes on pages 15 to 25 form part of these financial statements.
* The Endowment funds are mainly expendable as shown in note 16 on page 25.

Comparative figures are included on page 26

FASHION & TEXTILE CHILDREN'S TRUST

BALANCE SHEET

AS AT 30 JUNE 2022

	Notes	2022 £	2021 £
Fixed assets			
Intangible fixed assets	11	-	-
Tangible fixed assets	11	4,426	4,870
Investments	12	7,103,040	8,023,022
		7,107,466	8,027,892
Current assets			
Debtors and prepayments	13	55,537	31,425
Cash at bank		532,983	313,286
		588,520	344,711
Creditors: amounts falling due within one year	14	(39,312)	(40,592)
Net current (liabilities)/assets		549,208	304,119
Net assets		7,656,674	8,332,011
Unrestricted income funds			
- Designated fund	16	-	
		-	
Endowment funds			
- Expendable endowment	16	7,656,674	8,332,011
- Permanent endowment		-	-
		7,656,674	8,332,011
Total funds		7,656,674	8,332,011

The notes on pages 15 to 25 form part of these financial statements.

These accounts were approved by the Trustees on 24 January 2023 and signed on their behalf by:

Mike Taylor
Chair of Trustees

Mike Trotman
Chairman Finance Committee

Charity information

The Fashion & Textile Children's Trust is a Charity domiciled and registered in England and Wales. The principal office is The Space UK, 235 High Holborn, London, WC1V 7LE. From 16 December 2022, the Charity's office address will change to 44 Southampton Buildings, London, WC2A 1AP.

1 **Accounting policies**

1.1 **Basis of accounting**

These financial statements for the year ended 30 June 2022 of Fashion & Textile Children's Trust are prepared in accordance with the Charity Commission Statement of Recommended Practice - Accounting and Reporting by provisions of the Charities SORP (FRS 102) – Accounting and Reporting by Charities. The accounts have been prepared in accordance with the Charities Act 2011.

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The financial statements have been prepared in accordance with the Charity Commission Statement of Recommended Practice - Accounting and Reporting by provisions of the Charities SORP (FRS 102) – 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.

1.2 **Going concern**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 **Income**

Income is included in the Statement of Financial Activities when the Charity is entitled to the income and the amount can be measured with sufficient reliability. Incoming resources are categorised as follows:

Donations and legacies comprise gross amounts received by way of legacies, covenants, gift aid and donations and form part of the expendable endowment. For legacies, entitlement is the earlier of the Charity being notified of an impending distribution or the legacy being received. It is the Trustees' policy to treat any unrestricted legacy received as part of the Expendable Endowment; the object being to enhance the Trust's income available for use over future years, so that future beneficiaries can receive the direct benefits of the legacy occurred.

Other trading activities comprise gross amounts received by way of appeal projects and form part of the expendable endowment. Income from appeals is deferred where the income relates to the occurrence of a future event, the cancellation of which would result in a refund of the monies raised.

Income from investments comprises amounts receivable by way of dividends and interest and forms part of the unrestricted general fund.

Other income comprises of the receipts of any resources, which the Charity has not been able to allocate within the main income categories and forms part of the unrestricted funds or the endowment funds.

1 **Accounting policies (continued)**

1.4 **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis, inclusive of VAT and is reported as part of the expenditure to which it relates.

Expenditure on raising funds comprises the costs associated with attracting voluntary income, fundraising events and investment management costs.

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.

Governance costs include the costs associated with the general running and statutory requirements of the Charity and are recognised within support costs. It consists of auditors' remuneration and management and administration costs.

Costs are allocated between expenditure categories on a basis designed to reflect the use of the resource. Costs, including overheads relating to a particular activity are allocated directly. Support costs are apportioned on an appropriate basis e.g. staff time and estimated usage.

1.5 **Fund raising and publicity costs**

These include direct expenditure and support costs involved in raising the profile of the Charity and in fundraising events.

1.6 **Pensions**

This is a non-contractual payment to top up the pension of a former employee of the Royal Russell School. This payment is accounted for on a paid basis.

1.7 **Grants payable**

Grants are made in order to give financial support to families for day to day and specialist items aligned with the charitable objectives of the Charity. The liability for grants payable is recognised in the year in which the offer is made. The amount charged to the Statement of Financial Activities for the year comprises both grants paid in the year and payable within one year. The commitment in respect of grants payable within one year are included in creditors, where the commitment has been communicated in writing prior to the balance sheet date. The commitment in respect of future payments due after one year is accounted for by a transfer to designated funds. The amount held in the designated fund is therefore disclosed as a future liability to reflect the fact that the Trustees carry out an annual review of all grants payable and retain the discretion to terminate any grant.

1.8 **Fixed Assets**

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Website	-	3 years

1 **Accounting policies (continued)**

Tangible Fixed Assets
Depreciation of fixed assets is provided by equal annual instalments, calculated to write off the cost of assets over their estimated useful lives. These are:

Computer equipment	-	5 years
Office equipment	-	10 years

All assets, which have a useful economic life of more than one year, are capitalised at cost.

1.9 **Investments**
Investments are included in the accounts at the market value ruling at the balance sheet date. The unrealised gains and losses arising as a result, together with any realised gains and losses on investments disposed of in the year, are included in the Statement of Financial Activities, forming part of the expendable endowment. Income from investments is recognised on an accruals basis and forms part of the unrestricted general fund.

1.10 **Fund accounting**
Funds held by the Charity are either:-

Unrestricted general funds:-
The general fund represents funds that can be used in accordance with the charitable objectives, at the discretion of the trustees and without having to take account of any restrictions. Any shortfall in the general fund is supplemented by a transfer from the Expendable Endowment, in accordance with the Trust Deed.

Designated funds:-
These funds represent the cost of ongoing grants for children currently receiving support. Transfers are made to or from the fund from the expendable endowment each year. The balance on the fund represents a future liability, being the amount committed by the trustees to specific charitable expenditure, communicated in writing prior to the balance sheet date and falling due for payment after more than one year. The payment of future grants is contingent upon the grant conditions being met and is subject to an annual review by the trustees, who retain the discretion to terminate any grant. These funds are treated as unrestricted.

Expendable endowment funds:-
These represent income received, which is credited to the fund in accordance with the trust deed, from which gifts or loans may be made to supplement any shortfall on the general fund or designated fund.

Permanent endowment funds:-
These funds represent the value at which donated assets have been capitalised. These assets were donated specifically for the purpose of use in fund raising events.

1 **Accounting policies (continued)**

1.11 **Financial Instruments**

Financial assets are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets
Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Other financial assets classified as fair value through the statement of financial activities are measured at fair value.

Other financial assets
Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets
Financial assets, other than those held at fair value through the statement of financial activities, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Classification of financial liabilities

Basic financial liabilities
Basic financial liabilities are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Other financial liabilities classified as fair value through the statement of financial activities are measured at fair value.

1 **Accounting policies (continued)**

Other financial liabilities
Other financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expenses recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Derecognition of financial liabilities
Financial liabilities are derecognised when, and only when, the Charity's obligations are discharged, cancelled, or they expire.

1.12 **Cash and cash equivalents**
Cash at bank and cash in hand includes short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.13 **Taxation**
The Charity is a registered Charity and is not liable to United Kingdom income tax or corporation tax on charitable activities.

1.14 **Employee benefits**
The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 **Income from investments**

	2022	2021
	£	£
Dividends, distributions and interest on bonds receivable	260,289	260,951
	260,289	260,951

3 **Expenditure**

	Direct Costs	Support Costs	Total 2022	Total 2021
	£	£	£	£
Expenditure on raising funds (note 4)	51,297	60,881	112,178	52,775
Charitable activities (note 5)	322,667	264,030	586,697	770,679
	373,964	324,911	698,875	823,454

4 Expenditure on raising funds

	2022	2021
	£	£
Costs of generating voluntary income		
Fundraising costs	138	1,284
Advertising & website costs	1,573	967
Publicity	567	4,337
Recruitment	-	989
Other costs	8,075	8,214
	10,353	15,791
Support costs (note 8)	60,881	55,895
	71,234	71,686
Investment management costs	40,944	(18,911)
	112,178	52,775

Investment management costs for 2021 includes the reversal of £39,436 commission offset credit applied in error from prior year management fees resulting in a credit balance of £18,911.

5 Charitable activities

	Grants (note 6)	Direct costs	Support costs (note 8)	Total 2022	Total 2021
	£	£	£	£	£
Large Grants	0	1,843	19,727	21,570	86,892
Medium and Small Grants	298,501	22,323	244,303	565,127	679,796
Pension	-	-	-	-	3,991
2022	298,501	24,166	264,030	586,697	770,679
2021	474,150	46,086	250,443		

6 Analysis of new grants

	2022	2021
	£	£
Large Grants (paid & payable)		
- Paid directly to educational organisations on behalf of individuals	7,500	7,500
- Paid to individuals	-	-
- Prior year commitments reversed	(7,500)	(1,166)
	-	6,334
Medium Grants (paid & payable)		
- Paid directly to organisations on behalf of individuals	-	-
- Paid to individuals	33,810	60,605
	33,810	60,605
Small Grants (paid & payable)		
- Paid directly to organisations on behalf of individuals	-	-
- Paid to individuals	264,691	407,211
	264,691	407,211
Total grants for the year	298,501	474,150

7 Governance costs

	2022	2021
	£	£
Audit fees (note 10)	10,800	10,380
Insurance	2,040	2,061
Professional fees (including Consultancy)	31,260	1,140
Other office costs	2,758	3,021
	46,858	16,602
Support costs (note 8)	(46,858)	(16,602)
	-	-

8 Support costs

	2022	2021
	£	£
Staff costs (note 9)	245,930	251,219
Bookkeeping costs (note 10)	1,119	1,224
Office costs	28,832	35,004
Depreciation	2,172	2,289
Governance costs (note 7)	46,858	16,602
	324,911	306,338
Allocated to:		
Expenditure on raising funds (note 4)	60,881	55,895
Charitable activities (note 5)	264,030	250,443
	324,911	306,338

9 Employees

	2022	2021
	£	£
Wages and salaries	222,139	223,344
National insurance	16,748	21,387
Employer's Pension	7,043	6,488
	245,930	251,219

	Number	Number
Number of employees		
The average number of employees during the year was:		
Management and administration	6	7

One employee earns in excess of £60,000 but less than £90,000 per annum (2021: one)

Total remuneration of key management personnel was £121,868 (2021: £119,834)

10 Auditors and Accountants' remuneration

		2022	2021
		£	£
Audit	Saffery Champness	10,800	10,380
Bookkeeping	Bookkeeping & Office Services	1,119	1,224
		11,919	11,604

11 Fixed Assets

Intangible fixed assets

	Website	Total
	£	£
Cost		
At 1 July 2021	18,000	18,000
Additions	-	-
At 30 June 2022	18,000	18,000
Amortisation and impairment		
At 1 July 2021	18,000	18,000
Charge for the year	-	-
At 30 June 2022	18,000	18,000
Net book value		
At 30 June 2022	-	-
At 30 June 2021	-	-

Tangible fixed assets

	Computer Equipment	Office Equipment	Total
	£	£	£
Cost			
At 1 July 2021	24,143	-	24,143
Additions	1,728	-	1,728
Disposals	-	-	-
At 30 June 2022	25,871	-	25,871
Depreciation			
At 1 July 2021	19,273	-	19,273
Charge for the year	2,172	-	2,172
Disposals	-	-	-
At 30 June 2022	21,445	-	21,445
Net book value			
At 30 June 2022	4,426	-	4,426
At 30 June 2021	4,870	-	4,870

12 Investments

	2022	2021
	£	£
Quoted investments		
Market value at 1 July 2021	7,717,331	7,767,437
Additions and other adjustments	679,668	1,520,446
Disposals (proceeds £1,060,924; gain £156,663)	(904,261)	(1,636,582)
Unrealised gain/(loss) on investments	(448,184)	66,030
Market value at 30 June 2022	7,044,554	7,717,331
Cash held at investment managers	58,486	305,691
	7,103,040	8,023,022
Historical cost at 30 June 2022	5,886,385	6,110,979

All investments are held primarily to provide an investment return for the Charity.

Geographical Analysis		2022	2021
		£	£
United Kingdom	- Fixed Interest	716,086	1,021,494
	- Equity	1,775,187	1,980,886
Europe	- Equity	485,378	563,250
USA	- Equity	1,699,289	1,707,602
Asia	- Equity	269,956	304,519
Japan	- Equity	144,980	206,010
Emerging Markets	- Equity	174,419	317,709
Global	- Equity	397,457	355,210
Alternative	- Property	-	-
Investments	- Equity	1,381,802	1,260,651
		7,044,554	7,717,331

All investment income is derived from investments traded on the UK stock exchange.

13 Debtors and prepayments

	2022	2021
	£	£
Other debtors	10,780	3,400
Prepayments	10,184	4,660
Accrued income	34,573	23,365
	55,537	31,425

14 Creditors: amounts falling due within one year

	2022	2021
	£	£
Large Grants payable (see below)	-	7,500
Medium and Small Grants payable (see below)	4,485	5,350
Taxation and Social security	4,427	5,831
Company Credit card	2,585	413
Other creditors	-	-
Accruals	27,815	21,498
	39,312	40,592

The Trustees have included as a liability, grants payable within one year that have been communicated in writing prior to the balance sheet date.

	2022	2021
	£	£
Large Grants payable at 1 July 2021	7,500	32,523
Medium Grants payable at 1 July 2021	5,350	14,769
Small Grants payable at 1 July 2021	-	600
	12,850	47,892
New commitments/ Transfers to/from designated fund (note 6)	298,501	474,150
Paid during the year	(306,866)	(509,192)
	4,485	12,850
Large Grants payable at 30 June 2022	-	7,500
Medium Grants payable at 30 June 2022	3,885	5,350
Small Grants payable at 30 June 2022	600	-
Total Grants carried forward payable 2021/22	4,485	12,850

15 Grant commitments

The amount committed by the Trustees to specific charitable expenditure, communicated in writing prior to the balance sheet date and falling due for payment after more than one year, has been accounted for by way of a transfer to the designated fund. These relate to support for children with additional needs, at fee paying schools: in October 2018, the Board unanimously agreed that no further contributions would be considered for the above as from 1 July 2019. During 2022/23 this will decrease to £0, with the final grant payments having been concluded in June 2022.

The payment of future grants is contingent upon grant conditions being met and is subject to an annual review by the Trustees, who retain the discretion to terminate any grant. The balance on the designated fund, representing the future liability at the balance sheet date was £0 (2021: £0).

16 **Funds**

	Unrestricted		Restricted		
	General fund	Designated fund	Expendable endowment	Permanent endowment	Total
	£	£	£	£	£
At 1 July 2021	-	-	8,332,011	-	8,332,011
Income	260,289	-	54,765	-	315,054
Expenditure	(698,875)	-	-	-	(698,875)
Transfers	438,586	-	(438,586)	-	-
Gain/(loss)on revaluation and disposal of investment assets	-	-	(291,516)	-	(291,516)
At 30 June 2022	-	-	7,656,674	-	7,656,674

17 **Analysis of assets between funds**

	Unrestricted		Restricted		
	General fund	Designated fund	Expendable endowment	Permanent endowment	Total
	£	£	£	£	£
Intangible fixed assets	-	-	-	-	-
Tangible fixed assets	-	-	4,426	-	4,426
Investments	-	-	7,103,040	-	7,103,040
Current assets	-	-	588,520	-	588,520
Current liabilities	-	-	(39,312)	-	(39,312)
	-	-	7,656,674	-	7,656,674

18 **Related Parties**

No Trustee, or persons connected with the Trustees, received any remuneration or were reimbursed any expenses from the Charity during the year (2020-21: None)

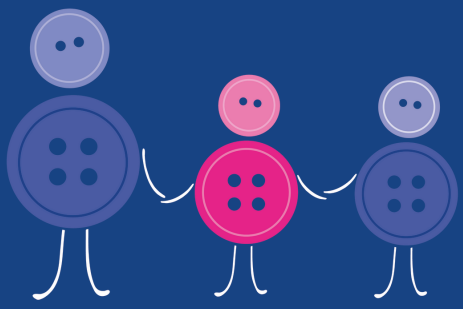
FASHION & TEXTILE CHILDREN'S TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2021

	Notes	Unrestricted Income Funds £	Endowment Funds* £	Total 2021 £
Income and endowments from:				
Donations and legacies		-	25,779	25,779
Other trading activities		-	56,701	56,701
Income from Investments	2	260,951	-	260,951
Other incoming resources		-	2,485	2,485
Total Income and endowments		260,951	84,965	345,916
Expenditure on:				
Raising Funds	4	52,775	-	52,775
Charitable activities	5	770,679	-	770,679
Total Expenditure	3	823,454		823,454
Net Gain on investments	12	-	921,372	921,372
Net expenditure		(562,503)	1,006,337	443,834
Transfer between funds		555,003	(555,003)	-
Net (outgoing) resources before other recognised gains and losses		(7,500)	451,334	443,834
Other gains/(losses)		-	-	-
Net movement in funds for the year		(7,500)	451,334	443,834
Total funds brought forward		7,500	7,880,677	7,888,177
Total funds carried forward		-	8,332,011	8,332,011

THE FASHION & TEXTILE CHILDREN'S TRUST

England & Wales - Charity number 257136

Accounts



Trustees' Report & Financial Statements

for the year ended 30th June 2021

fashion & textile children's trust

charity registration no: 257136

FASHION & TEXTILE CHILDREN'S TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Name:	Fashion & Textile Children's Trust
Registered Charity Number:	257136 (England and Wales)
Principal Office:	The Space UK 235 High Holborn London WC1V 7LE E-Mail: anna@ftct.org.uk Website: www.ftct.org.uk Telephone: 0300-123-9002 / M: 07753 605367
Trustees at 30 June 2021:	Mike Taylor, (Chair of Trustees), Commercial Director, British Heart Foundation Mike Trotman, (Chair, Finance Committee) CFO Tom Dixon Group David Shepherd, (Former COO Trading, Arcadia) Ryan Becker, Managing Director at UK Visual Immersion Vanessa Elias, Managing Director, CVUK Robert Bready, Freelance Executive Consultant Richard Sims, Consultant Kristin Cramborn Knoflach, Senior Marketing Manager, Klarna
Chief Executive:	Anna Pangbourne
Bankers:	Barclays Business 1st Floor, 27 Soho Square London W1D 3QR
Solicitors:	FieldFisher Riverbank House 2, Swan Lane London EC4R 3TT
Auditors:	Saffery Champness LLP Westpoint Peterborough Business Park Lynch Wood Peterborough PE2 6FZ
Investment Managers:	Quilter Cheviot Investment Management Senator House, 85 Queen Victoria Street, London, EC4V 4AB

FASHION & TEXTILE CHILDREN'S TRUST

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Over the last year, FTCT has continued to give financial support to the children of families who work in the UK fashion and textile industry. Families who have experienced a significant change at home as a result of bereavement, disability, family breakdown, debt, or sickness.

Coupled with the unprecedented Covid-19 emergency which affected a huge number of employees, FTCT was able to increase its grant giving to meet their needs during this year of crisis. Since the beginning of 2021, 18,253 redundancies have been made across the sector, from shop floor to head office, following the collapse of retailers such as Debenhams and Arcadia. Textile and manufacturing companies have also been affected.

As a result, the Board of Trustees took the decision to increase its grant funding to meet record levels of demand, giving £509,192 in new and existing grant committed payments to 1070 children of employees at over 100 companies in our sector - a record in our 170 year history. Companies ranging from high street fashion retailers to textile manufacturers, laundry companies to supermarkets that sell clothing, reaching all corners of the UK.

As the sector recalibrates, the Fashion & Textile Children's Trust is committed to supporting the families of those that work in our industry.

Over the last nine months, the FTCT team, supported by the Trustees have undertaken a strategic review for the previous strategy 2016 – 2021, in order to develop a new strategy for 2021-2026.

Our ambition for this strategy is to be recognised as the leading grant giving Charity for UK fashion and textile families, providing support during challenging times. In line with this, our new Vision and Mission was developed in collaboration with the team and Trustees, to reflect the direction we want to take the Charity:

Our Vision for our new strategy is: Supporting the families of the UK fashion and textile industry, where all children can thrive.

Our Mission: We provide financial grants for essential and specialist items to families, to improve a child's wellbeing.

Our overall strategic direction is: To take an innovative approach to extending the lifespan of the Charity and continue to help families cope during challenging times.

To support this, we will have three overall Strategic Aims:

Children and Families	We aim to continue to improve the wellbeing outcomes of our beneficiaries by maximising the impact of our grants
Financial Sustainability	We aim to ensure the financial sustainability of the Charity now and for future generations
Operational Efficiency	We aim to improve our overall efficiency to maximize our resources and impact

We could not continue to offer the vital financial assistance to the families in our sector without the fantastic support of companies of all sizes across the UK, and I would like to thank them all for continuing to do so, during such a challenging time. This will enable our work to carry on as long as there is need in our sector, however support from our industry is vital. The current level of grants awarded far exceeds our income and the importance of sector wide support has never been greater.

The Trustees present their report along with the financial statements of the Charity for the year ended June 2021. The financial statements have been prepared in accordance with the accounting policies set out on pages 17 to 21 and comply with the Charity's Trust Deed and applicable law.

INTRODUCTION

The Fashion & Textile Children's Trust, (FTCT), provides financial support to the children of people who work in the UK fashion and textile sector. Our focus is helping those who are facing financial difficulty and as a result, are struggling to meet the basic needs of their child. This is often due to an unexpected change in circumstances at home, a sudden gap in income or an ongoing situation that puts extreme pressure on the family's finances.

The final year of our five-year strategy was particularly significant. With the financial impact of the global pandemic, FTCT's relevance to those working in the UK fashion and textile sector was never greater, resulting in the Charity disbursing £509,192 in grant awards - its highest grant level on record. The industry employs an estimated 890,000; according to Drapers Magazine, the industry sector magazine, as of January 2021, a total of 240,000 jobs were lost in the fashion retail sector since the start of the pandemic (March 2020). Since the beginning of 2021, 18,253 redundancies have been made on the shop floor and head office, following the collapse of retailers such as Debenhams, Edinburgh Woollen Mill and Arcadia Group, alongside the streamlining of operations at Marks & Spencer and John Lewis. Many more textile manufacturers and laundry companies supported by FTCT, were also affected.

FTCT's overall strategic aim during this strategic period was: To Give More Money to help Families in Need. Between 2016 – 2021, FTCT is proud to have achieved the following over the strategy period:

- 9,879 enquiries received, representing a 151% total growth in enquiries
- 3,698 children supported, representing a 370% total growth in children supported
- 8,663 items awarded
- £1,820,706 awarded in grants, representing a 172% total growth in grants awarded

Families are at the heart of everything we do. We strive to continue to build a reputation as a Charity that listens, is empathetic, kind and fair, from the first enquiry through to outcome. As a small team we take huge pride in being able to help families during difficult times, by 'going the extra mile', working with each family on a case by case basis and treating every parent or carer, with care and compassion. During the pandemic, all team members worked from home, ensuring that the high level of service to families was maintained with no disruption.

Our Heritage:

Established in 1853 at the height of a vibrant and flourishing UK silk and cotton weaving industry, a group of textile merchants, tailors and clerks formed a trust fund, to support the bereaved family of one of their colleagues. Their good work attracted the attention of those keen to advocate the cause including the notable author Charles Dickens who was the Chairman of Appeal in 1856 and 1857. The trust developed to become a school opened by the Prince of Wales, later Edward VII, in New Cross, followed by a second school opening in Purley. The school still exists today, known as the Royal Russell School.

Recognising that fewer children were from families who worked in the fashion and textile sector, the school was sold in 1968. The proceeds from the sale of the school were invested and our Charity, then known as the Purley Children's Trust continued to benefit the children of families who worked in the industry.

Initially staffed by Chief Executive Anna Pangbourne in 2009, there are now five team members in total.

Our grant remit across the roles within the sector is diverse: grants can be awarded to a parent or carer working in a range of different areas including: the shop floor of a high street fashion retailer, a supermarket that sells clothing, a distribution centre or logistics company for clothing, commercial laundry company, high street dry cleaners, a fashion designer, a high-tech performance fabric company, soft furnishings, pattern cutter, bridal wear, weaver or costume maker.

From button maker to boutique owners, sock makers to spinners – all roles within the UK fashion, textile, retail and manufacturing can be considered by FTCT.

We are honoured and privileged that Her Majesty The Queen is Patron of our Charity.

Organisational Purpose:

The sole purpose of our Charity is to provide grants – a financial contribution – to families who work, or have previously worked, in the UK fashion and textile industry. Our grants are not a loan and they do not have to be re-paid by the parent or carer. Additionally, there is no charge or membership fee to a company who works in partnership with our Charity. Typically, our grants cover the cost of day-to-day items and also specialist items for their child (up to 18yrs) and is only considered when the basic needs of the child cannot be met and the parent has no access to savings. As part of the application process, we ask the parent to evidence benefits they receive and why they are not able to provide the items requested at this time, ensuring that the grants awarded are to those most in need.

Review of the Year – Strategic Activities

The key focus for the financial year ending 30 June 2021 was the completion of the five-year agreed growth strategy, ongoing review of all grants processes and the revision of website messaging and improvement to user journey.

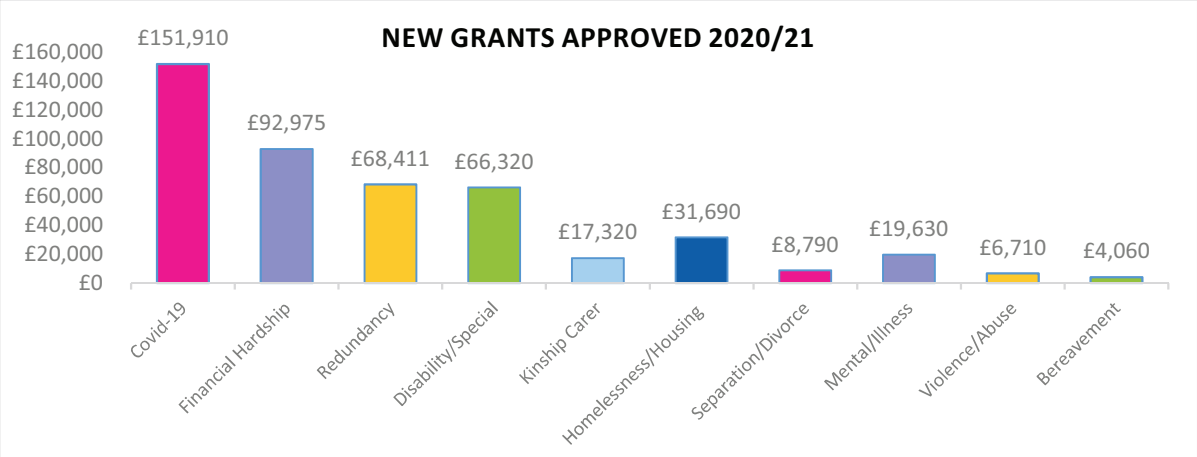
As a result of Covid-19, the planned marketing activities that had been required in previous years were temporarily put on hold, so that focus could instead be diverted to the processing of grants to families. During this peak period, the Grants Team were supported by other team members.

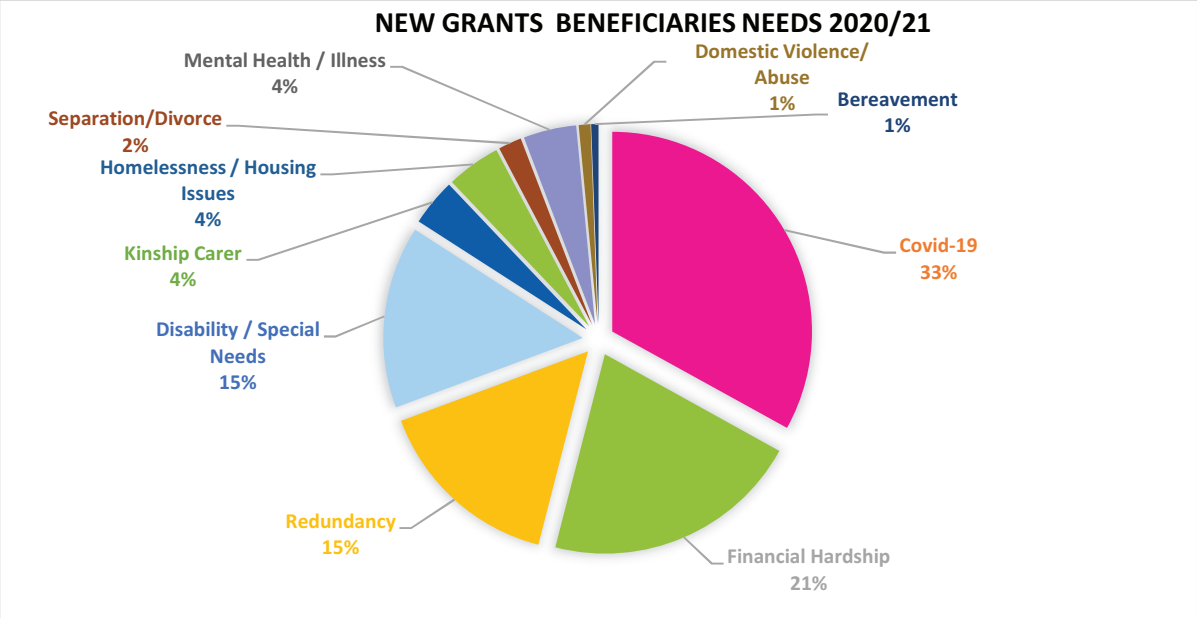
Although the annual fundraising channels via the Drapers Awards Events did not take place in person owing to Covid-19, FTCT was successful in securing £82,479 in donations. This was in part due to the Drapers x Covid-19 Appeal that was launched by Drapers Magazine in April 2020. To date £40,291 has been raised through the generosity of corporate donations: a significant part of this was due to the Drapers Christmas Prize Draw where companies were invited to donate a product.

Achievement and Performance

New approved grants made by FTCT during the year under review increased to £467,816 from £369,762 in the previous year due to the re-assessment of the application policy criteria to ensure grant awards are directed to families who are most in need coupled with the consequential impact of the Covid-19 pandemic crisis. The continuing strategic priority is to grow grants, which has been reflected in the annual performance with a 26.5% increase on prior year awards of £369,762.

Total grants distributed for the year were £474,150 against £398,134 in the previous year. The total number of children supported was 1,060; 1,050 of these were new and 10 were ongoing – a record figure. The charts displayed and the table below shows total new grants approved during 2020/21 for the last year, broken down by the category of need:





Need	New Grants Approved 2020/21	Approved % Total	Number of New cases	% Beneficiaries
Covid-19	£151,910	32.47%	347	33.0%
Financial Hardship	£92,975	19.87%	220	21.0%
Redundancy	£68,411	14.62%	161	15.3%
Special Needs	£49,420	10.56%	119	11.3%
Rehoused	£17,400	3.72%	30	2.9%
Kinship Carer	£17,320	3.70%	40	3.8%
Disability	£16,900	3.61%	36	3.4%
Homelessness	£14,290	3.05%	16	1.5%
Illness	£10,880	2.33%	21	2.0%
Separation/Divorce	£8,790	1.88%	20	1.9%
Mental Health	£8,750	1.87%	24	2.3%
Domestic Violence	£5,210	1.11%	8	0.8%
Bereavement	£4,060	0.88%	6	0.6%
Child Abuse	£1,500	0.33%	2	0.2%
Total Recipients	**£467,816**	**100%**	**1,050**	**100%**

During the last 18 months, many families who were able to manage their finances before Covid-19, were quickly at financial risk after being placed on furlough or made redundant. For a family who may have been paying off debt, for example, payments became impossible, therefore creating further financial difficulty.
Along with Covid-19, the primary reason for a parent getting in touch with our Charity is financial hardship: not being able to afford essential items for their child and with limited access to savings. Often there will be a secondary reason for contacting our Charity, such as disability, redundancy, unsettled housing and more as listed above. Any of these reasons combined can quickly lead to the family budget becoming stretched to breaking point.

As shown in the table 38% of FTCT grants approved were for children affected by parental circumstances, such as financial hardship, redundancy, mental health, domestic violence or bereavement to support with essential items such as clothing, school uniform, bedroom furniture, appliances and home items and more. From July 2020 to June 2021, 33% of grants awarded were for families financially affected by Covid-19 – either through furlough or redundancy. During Covid-19, the Charity adapted its grant offer to include tablets and laptops, to enable primary and secondary children to access online teaching.

29% of FTCT grants were for children with special needs or disability. Typically, grants were for extra tuition, speech and language therapy, specialist equipment, learning adaptations, occupational therapy, laptops to support learning and essential child access modifications to the family home.

One of the largest grants awarded to a family during the year was to Ned, a child with cerebral palsy. FTCT contributed towards Ned's electric wheelchair. Ned's mum told FTCT:

"Without the grant I still believe we would be on an NHS waiting list to be approved for an electrical wheelchair and Ned would have missed out on an entire summer of using the countryside and beach that he so loves and either my husband or I would have had to step down from work for the season to stay at home with our son – losing half our income."

The FTCT team and Board of Trustees remain committed to significantly increasing the number of children we assist, to support families who work in our industry. Over the last five years, the Charity has achieved a 22.19% average year-on-year growth in the total value of grants awarded, alongside a 36.30% average year-on-year growth in the number of children supported.

	Actual 2015/16	**Actual 2016/17**	**Actual 2017/18**	**Actual 2018/19**	**Actual 2019/20**	**Actual 2020/21**
Charitable activities	£174,050	£287,138	£362,131	£299,153	£398,134	£474,150
No of children	223	617	680	613	824	1,060

FTCT Outreach Campaign 2020/21

With the high level of demand during Covid-19, FTCT monitored trade / national press on a day-to-day basis ensuring that all notifications re: fashion and textile company administrations were acted on within 24 hours. Where the company was known to FTCT, direct contact was made. For companies such as Arcadia, FTCT used LinkedIn to maximise awareness with Chief HR Managers, Store Managers and Area Managers, who in turn cascaded FTCT's grant information to their employees. This resulted in, for example, a total of £42,330 grants being made to Arcadia employees.

Long standing partnerships also continued during Covid-19 with major high street fashion retailers such as John Lewis Partnership, M&S and NEXT: this continued to be reflected in a significant number of employees supported with an FTCT grant in each of these companies.

Partnerships with trade bodies also continued, notably with the Textile Services Association (TSA) and the National Laundry Group (NLG). A new partnership was also formed with the Textile Recycling Association (TRA), a trade association for collectors, sorters, processors and exporters of used clothing and textiles.

From feedback, we know that FTCT can be a place for families to turn to, when all other avenues have been exhausted. One family who was financially affected by Covid-19, told FTCT:

"***A great help at a difficult time after being made redundant as a result of the pandemic/Covid-19. Friendly and quick responses to all queries. A fantastic organisation that I didn't know about until I got their leaflet in amongst my paperwork from my previous employer."***

Stakeholder support: Drapers' Charity of choice: FTCT would like to thank Kirsty McGregor, Editor and also Isabella Fish, News Editor Drapers magazine, in particular for their ongoing support. FTCT worked closely with Drapers to integrate with the new virtual format for the Drapers Digital Festival, 30 September 2020 to 1 October 2020, producing a short video to be displayed at the beginning of the online conference.

The online Drapers x FTCT Covid-19 Appeal launched in April 2020 in partnership with FTCT to replace the in-person events due in 2020/21, has raised £40,291 to date. FTCT will continue to work towards the planned target of £60,000 in the coming year. Our thanks to all those who have donated so generously.

Net Fundraising: £82,479 for 2020/21. This included:

£15,000	Next Plc
£10,000	Marks & Spencer
£10,000	John Lewis
£10,000	Brora Clothing UK
£7,500	Pavers Foundation
£5,000	JP Boden & Co
£3,500	Four Marketing Ltd
£2,000	Pentex
£1,500	Rowan Bental Charitable Trust
£1,020	Jensen UK Laundry Co.
£1,000	Worshipful Company of Launderers
£15,959	Other Corporate & Individual Donations: Alice Made This, Drapers Xmas Prize Draw

As part of the new five-year strategy, the Board of Trustees have agreed to work with a fundraising consultancy to review current fundraising and support with the development of a fundraising strategy.

Grant making policies and procedures

The grants continue to be categorised in the following ways: Small Grant: up to £750, Medium Grant: one off grant of £750+ payable in the year and Large Grant: £750+ awarded for an ongoing grant over a number of years – this could, for example, be for ongoing therapies.

Our grants can be awarded to those who currently work in the industry or have previously worked within the last nine years, providing that they have worked for a minimum of one year.

Grants typically provided by FTCT include:

Essential items	Specialist items
Clothing and shoes	Mobility equipment
School uniforms / PE Kit	Sensory toys
Children's bedroom furniture / Bedding	Speech therapy
White goods (fridge, cooker and washing machine)	Respite activities
Essential household items	Specialist clothing
Study Essentials – Tablets / Laptops etc.	

Public Benefit Statement

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

FINANCIAL REVIEW

Total income received during the year decreased by 7% to £345,916 compared with £371,827 in the previous year. Investment income from securities has reflected 12% decrease in returns from the previous year as a continued result of the measured transition to rebalance the capital base mix of the investment fund portfolio to reflect the adopted total returns policy. Income performance was aided by a 7% increase in returns from donations and fundraising incomes, £82,479 compared to £76,871 in the previous year, reflecting outperformance in Corporate/Community events and Corporate/Individual donations.

Total expenditure during the year amounted to £823,454 a 3% decrease compared to £849,819 spent in the previous year. This decrease is attributed to a 12% rise in expenditure relating to charitable activities. This reflects the strategic growth objectives in the grants programme, exemplifying the introduction of grant policies to further redefine the application criteria. The policy change was made to reflect the current and future anticipated socio-economic climate to ensure the grants are awarded to those families where there is a specific case of need against the revised benchmarks. Additionally, growth has been augmented by the increasing demand for support due to the consequential impact of the Covid-19 pandemic. The increase in expenditure on charitable activities is alleviated by a 67% fall, when compared to the previous year, on expenditure on raising funds. This is due to savings resulting from the effects of relocating to a smaller office and integrating hybrid ways of working as the Charity's response to the impact of Covid-19. This is coupled with the final amortisation charge on intangible assets and a revision to investment management fees in the previous year. As a result, the structural operating deficit has reduced by £454 to £477,538 compared to the £477,992 deficit generated last year.

Investment performance

The Trust's investments are managed on a discretionary basis by Quilter Cheviot. The Trustees have adopted a total return policy, with an investment objective of achieving long-term capital growth to the value of the portfolio, as well as generating agreed income levels through diversified funds and individual holdings in fixed income stocks, equities, alternative investments and cash. Historically, the emphasis had focused on income generation. The Trust's risk appetite remains medium, limiting equity exposure to a maximum of 75% of the portfolio, allowing the fund to accept a moderate variation or disruption to capital value or current income in order to meet the Charity's longer-term objectives.

The total income from the Trust's investment portfolio declined to £260,951 from the previous year's total of £294,956, which was assisted by a special dividend from Tesco. The investment portfolio also generated a realised gain of £855,342 (2019/20: gain of £322,864) from the sale of securities and an unrealised gain of £66,030 (2019/20: loss of £656,615) based on the market value of shares at the balance sheet date.

During the year to 30 June 2021, the portfolio increased in capital terms by 12.9% and generated an income return of 3.6%, so overall a net total return of 16.5%. This compared to an increase in the benchmark, the MSCI PIMFA Balanced Index of 15.2% and the Asset Risk Consultants (ARC) Charity Steady Growth Index of 16.6%. On a rolling 5-year basis, the portfolio has delivered a compound net total return of 51.6%, against 45.0% for the benchmark and 44.7% for the ARC Charity Steady Growth Index.

Across the individual asset classes, the portfolio enjoyed positive returns from fixed interest holdings, with the overweight position towards corporate bonds, over and above UK Gilts proving especially beneficial, with the latter reporting losses for the year. Amongst the equities, the portfolio enjoyed strong outperformance in Japan and significant outperformance in Asia – 37.4% as against 24.9% for the MSCI AC Asia Pacific ex Japan and the global funds. This made up for strong double digit, but on this occasion, market lagging returns elsewhere. In the round, pleasing, with the North American and European positions only marginally lagging the market, after being comfortably ahead last year. The alternative investments, that comprise exposure to infrastructure, renewable energy, property and private equity delivered a positive net total return of 7.7%, usefully ahead of the -6.5% decline in UK Gilts and marginally ahead of the 7.5% delivered by absolute return strategies.

The managers are confident, as demonstrated during the worst periods of the pandemic, that the portfolio remains suitability well-diversified to withstand a reasonable level of capital volatility over the medium to long term, but cannot exclude the ever present risk of sharp movements in the short term. The managers expect that the ongoing impact of Covid-19 and variants, shorter-term supply chain constraints, the debate over the level of inflation and ongoing friction between the Unites States and China will all continue to contribute to market volatility in the year ahead. Overall, though, they remain positive for the long-term prospects of the current investment strategy.

The Investment Committee continues to monitor the activities of the portfolio manager and is satisfied with Quilter Cheviot's performance.

Reserves policy

The Trustees' policy is to distribute the income from investments and other sources to meet charitable demands, whilst optimising running costs and protecting the capital base to ensure that the Trust is in a position to meet all future charitable needs. In 2020/21 the sum of £443,834 was added to reserves (2019/20: £811,744 was deducted from reserves), mainly due to a £1,255,578 combine overall growth in realised and unrealised gains on investment assets compared to prior year.

Total unrestricted income funds have reduced to £0 (2020: £7,500) these funds were designated to fulfil commitments already made to support children's educational needs. These commitments will finally be discharged in June 2022.

They were conditional based on an annual review addressing the progress of the child concerned and any changes in the grants to support educational needs or in the financial situation of the parents. Dependent upon this, the grant was either continued at the previous level or increased (providing evidence is shown). In line with the Board's directive as from 1 July 2019, no further contributions will be considered for these types of grants.

Total endowment funds amount to £8,332,011 (2020: £7,881,917) all of which relates to the expendable endowment fund.

Investment policy

The Trustees appoint Investment Managers and delegate to them power at their discretion to buy and sell investments on their behalf in accordance with the investment policy laid down by the Trustees. The investment policy objectives are to achieve long-term capital growth and agreed income levels through diversified funds of fixed income stocks, equities and cash. An income target is agreed with the Trustees each year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The principal addresses and details of professional advisers are included in the information sheet at the front of these accounts.

Governing Document

The Trust is constituted under a Declaration of Trust, dated 23 September 1968, amended by Charity Commission Scheme 214 (s) sealed 18 December 1995.

Appointment of Trustees

The Trust Deed of 1968 requires a minimum of four and a maximum of eighteen Trustees. Trustees are invited to join the Board; preference is given to those who are currently employed in senior positions in the fashion and textile, retail and manufacturing industry. Trustees, excluding the Chair, are elected by a resolution of the Trustees and serve for a period of four years after which they can be re-elected.

The Chair is elected by the Trustees and serves for a period of three years and a maximum of six years in the event of re-election.

Induction and Training

Each prospective Trustee meets with the Director and the Nominations Committee and also attends a Trustee Meeting in advance of their appointment being confirmed. A Trustee Induction Pack is given to all new Trustees, which includes details of the Charity, our Trust Deed, legal responsibilities and the latest governance information produced by the Charity Commission.

Organisation

The Charity is governed by a Board of eight Trustees, operating under the day to day management of the Chief Executive and team.

The Trustees below all held office from 1 July 2020 to 30 June 2021:
Mike Taylor, (Chair of Trustees), Commercial Director, British Heart Foundation
Mike Trotman, (Chair, Finance Committee) CFO, Tom Dixon Group
David Shepherd, (Former COO Trading, Arcadia)
Ryan Becker, Managing Director, UK Visual Immersion
Vanessa Elias, Managing Director, CVUK
Robert Bready, Freelance Executive Consultant
Richard Sims, Consultant
Kristin Cramborn Knoflach, Senior Marketing Manager, Klarna

There are three sub-committees:

Finance Committee (Chair, Finance Committee Mike Trotman and Chair, FTCT, Mike Taylor) are responsible for the monitoring and control of total income, expenditure and for supervision of the Accounts. The performance of Quilter Cheviot is monitored by the Finance Committee.

Cases Committee is responsible for assessing applications and reviewing grants over £750 per child, submitted by the Grants Manager. There are currently two members of the Cases Committee, David Shepherd, Vanessa Elias, Trustees.

Nominations Committee (Non-operational at present: no Trustee appointments pending)

TRUSTEES' RESPONSIBILITIES IN RELATION TO FINANCIAL STATEMENTS

The Charity's Trustees are responsible for preparing the Trustee's Annual Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (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 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 apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments' and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any 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 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

Trust Deed. 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.

This Annual Report was approved by the Trustees on 25 January 2022 and signed on their behalf by:



Mike Taylor
Chair of Trustees

Opinion

We have audited the financial statements of Fashion and Textiles Children's Trust for the year ended 30 June 2021 which comprise statement of financial activities, balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 2021 and of its incoming resources and application of resources 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's 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 financial statements are 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 10, 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.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under the Charities Act 2011 and report in accordance with regulations made under that Act.

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 auditors' 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.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the charity's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charity by discussions with trustees and updating our understanding of the sector in which the charity operates.

Laws and regulations of direct significance in the context of the charity include the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and guidance issued by the Charity Commission for England and Wales.

Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charity's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charity's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the trustees those matters we are required to state to them in an auditor's 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 the trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Saffery Champness LLP

Saffery Champness LLP
Chartered Accountants
Registered Auditors

Westpoint
Peterborough Business Park
Lynch Wood
Peterborough
PE2 6FZ

Date: 31 January 2022

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

FASHION & TEXTILE CHILDREN'S TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2021

	Notes	Unrestricted Income Funds £	Endowment Funds* £	Total 2021 £	Total 2020 £
Income and endowments from:					
Donations and legacies		-	25,779	25,779	16,176
Other trading activities		-	56,701	56,701	60,695
Income from Investments	2	260,951	-	260,951	294,956
Other incoming resources		-	2,485	2,485	-
Total Income and endowments		260,951	84,965	345,916	371,827
Expenditure on:					
Raising Funds	4	52,775	-	52,775	158,296
Charitable activities	5	770,679	-	770,679	691,523
Total Expenditure	3	823,454	-	823,454	849,819
Net gains/(losses) on investments	12	-	921,372	921,372	(333,752)
Net income/(expenditure)		(562,503)	1,006,337	443,834	(811,744)
Transfer between funds	16	555,003	(555,003)	-	-
Net (outgoing) resources before other recognised gains and losses		(7,500)	451,334	443,834	(811,744)
Other gains/(losses)		-	-	-	-
Net movement in funds for the year		(7,500)	451,334	443,834	(811,744)
Total funds brought forward	16	7,500	7,880,677	7,888,177	8,699,921
Total funds carried forward		-	8,332,011	8,332,011	7,888,177

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.
The notes on pages 18 to 28 form part of these financial statements.
* The Endowment funds are mainly expendable as shown in note 16 on page 27.

Comparative figures are included on page 28

FASHION & TEXTILE CHILDREN'S TRUST

BALANCE SHEET

AS AT 30 JUNE 2021

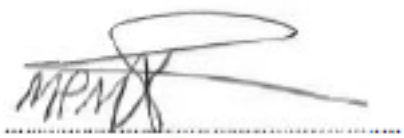
	Notes	2021 £	2020 £
Fixed assets			
Intangible fixed assets	11	-	-
Tangible fixed assets	11	4,870	2,482
Investments	12	8,023,022	7,854,804
		8,027,892	7,857,286
Current assets			
Debtors and prepayments	13	31,425	62,290
Deposit accounts		-	-
Cash at bank		313,286	73,846
		344,711	136,136
Creditors: amounts falling due within one year	14	(40,592)	(105,245)
Net current (liabilities)/assets		304,119	30,891
Net assets		8,332,011	7,888,177
Unrestricted income funds			
- Designated fund	16	-	7,500
		-	7,500
Endowment funds			
- Expendable endowment	16	8,332,011	7,880,677
- Permanent endowment		-	-
		8,332,011	7,880,677
Total funds		8,332,011	7,888,177

The notes on pages 18 to 28 form part of these financial statements.

These accounts were approved by the Trustees on 25 January 2022 and signed on their behalf by:



Mike Taylor
Chair of Trustees



Mike Trotman
Chairman Finance Committee

Charity information

The Fashion & Textile Children's Trust is a Charity domiciled and registered in England and Wales. The principal office is The Space UK, 235 High Holborn, London, WC1V 7LE. (FTCT moved to its new premises in Holborn in December 2020. The size of the office is significantly less, resulting in reduced overall costs.)

1 **Accounting policies**

1.1 **Basis of accounting**

These financial statements for the year ended 30 June 2021 of Fashion & Textile Children's Trust are prepared in accordance with the Charity Commission Statement of Recommended Practice - Accounting and Reporting by provisions of the Charities SORP (FRS 102) – Accounting and Reporting by Charities. The accounts have been prepared in accordance with the Charities Act 2011.

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The financial statements have been prepared in accordance with the Charity Commission Statement of Recommended Practice - Accounting and Reporting by provisions of the Charities SORP (FRS 102) – 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.

1.2 **Going concern**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 **Income**

Income is included in the Statement of Financial Activities when the Charity is entitled to the income and the amount can be measured with sufficient reliability. Incoming resources are categorised as follows:

Donations and legacies comprise gross amounts received by way of legacies, covenants, gift aid and donations and forms part of the expendable endowment. For legacies, entitlement is the earlier of the Charity being notified of an impending distribution or the legacy being received. It is the Trustees' policy to treat any unrestricted legacy received as part of the Expendable Endowment; the object being to enhance the Trust's income available for use over future years, so that future beneficiaries can receive the direct benefits of the legacy occurred.

Other trading activities comprise gross amounts received by way of appeal projects and form part of the expendable endowment. Income from appeals is deferred where the income relates to the occurrence of a future event, the cancellation of which would result in a refund of the monies raised.

Income from investments comprises amounts receivable by way of dividends and interest and forms part of the unrestricted general fund.

Other income comprises of the receipts of any resources, which the Charity has not been able to allocate within the main income categories and forms part of the unrestricted funds or the endowment funds.

1 **Accounting policies (continued)**

1.4 **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to the expenditure. All expenditure is accounted for on an accruals basis, inclusive of VAT and is reported as part of the expenditure to which it relates.

Expenditure on raising funds comprises the costs associated with attracting voluntary income, fundraising events and investment management costs.

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.

Governance costs include the costs associated with the general running and statutory requirements of the Charity and are recognised within support costs. It consists of auditors' remuneration and management and administration costs.

Costs are allocated between expenditure categories on a basis designed to reflect the use of the resource. Costs, including overheads relating to a particular activity are allocated directly. Support costs are apportioned on an appropriate basis e.g. staff time and estimated usage.

1.5 **Fund raising and publicity costs**

These include direct expenditure and support costs involved in raising the profile of the Charity and in fundraising events.

1.6 **Pensions**

This is a non-contractual payment to top up the pension of a former employee of the Royal Russell School. This payment is accounted for on a paid basis.

1.7 **Grants payable**

Grants are made in order to give financial support to families for day to day and specialist items aligned with the charitable objectives of the Charity. The liability for grants payable is recognised in the year in which the offer is made. The amount charged to the Statement of Financial Activities for the year comprises both grants paid in the year and payable within one year. The commitment in respect of grants payable within one year are included in creditors, where the commitment has been communicated in writing prior to the balance sheet date. The commitment in respect of future payments due after one year is accounted for by a transfer to designated funds. The amount held in the designated fund is therefore disclosed as a future liability to reflect the fact that the Trustees carry out an annual review of all grants payable and retain the discretion to terminate any grant.

1.8 **Fixed Assets**

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Website	-	3 years

1 **Accounting policies (continued)**

Tangible Fixed Assets
Depreciation of fixed assets is provided by equal annual instalments, calculated to write off the cost of assets over their estimated useful lives. These are:

Computer equipment	-	5 years
Office equipment	-	10 years

All assets, which have a useful economic life of more than one year, are capitalised at cost.

1.9 **Investments**
Investments are included in the accounts at the market value ruling at the balance sheet date. The unrealised gains and losses arising as a result, together with any realised gains and losses on investments disposed of in the year, are included in the Statement of Financial Activities, forming part of the expendable endowment. Income from investments is recognised on an accruals basis and forms part of the unrestricted general fund.

1.10 **Fund accounting**
Funds held by the Charity are either:-

Unrestricted general funds:-
The general fund represents funds that can be used in accordance with the charitable objectives, at the discretion of the trustees and without having to take account of any restrictions. Any shortfall in the general fund is supplemented by a transfer from the Expendable Endowment, in accordance with the Trust Deed.

Designated funds:-
These funds represent the cost of ongoing grants for children currently receiving support. Transfers are made to or from the fund from the expendable endowment each year. The balance on the fund represents a future liability, being the amount committed by the trustees to specific charitable expenditure, communicated in writing prior to the balance sheet date and falling due for payment after more than one year. The payment of future grants is contingent upon the grant conditions being met and is subject to an annual review by the trustees, who retain the discretion to terminate any grant. These funds are treated as unrestricted.

Expendable endowment funds:-
These represent income received, which is credited to the fund in accordance with the trust deed, from which gifts or loans may be made to supplement any shortfall on the general fund or designated fund.

Permanent endowment funds:-
These funds represent the value at which donated assets have been capitalised. These assets were donated specifically for the purpose of use in fund raising events.

1 **Accounting policies (continued)**

1.11 **Financial Instruments**

Financial assets are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets
Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Other financial assets classified as fair value through the statement of financial activities are measured at fair value.

Other financial assets
Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets
Financial assets, other than those held at fair value through the statement of financial activities, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the statement of financial activities.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Classification of financial liabilities
Basic financial liabilities
Basic financial liabilities are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Other financial liabilities classified as fair value through the statement of financial activities are measured at fair value.

1 **Accounting policies (continued)**

Other financial liabilities
Other financial liabilities are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expenses recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Derecognition of financial liabilities
Financial liabilities are derecognised when, and only when, the Charity obligations are discharged, cancelled, or they expire.

1.12 **Cash and cash equivalents**
Cash at bank and cash in hand includes short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.13 **Taxation**
The Charity is a registered Charity and is not liable to United Kingdom income tax or corporation tax on charitable activities.

1.14 **Employee benefits**
The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 **Income from investments**

	2021	2020
	£	£
Dividends, distributions and interest on bonds receivable	260,951	294,956
	260,951	294,956

3 **Expenditure**

	Direct Costs	Support Costs	Total 2021	Total 2020
	£	£	£	£
Expenditure on raising funds (note 4)	(3,120)	55,895	52,775	158,296
Charitable activities (note 5)	520,236	250,443	770,679	691,523
	517,116	306,338	823,454	849,819

4 Expenditure on raising funds

	2021	2020
Costs of generating voluntary income	£	£
Fundraising costs	1,284	19,942
Advertising & website costs	967	543
Publicity	4,337	4,855
Recruitment	989	25
Other costs	8,214	9,714
	15,791	35,079
Support costs (note 8)	55,895	83,781
	71,686	118,860
Investment management costs	(18,911)	39,436
	52,775	158,296

Investment management costs for 2021 includes the reversal of £39,436 commission offset credit applied in error from prior year management fees resulting in a credit balance of £18,911.

5 Charitable activities

	Grants (note 6)	Direct costs	Support costs (note 8)	Total 2021	Total 2020
	£	£	£	£	£
Large Grants	6,334	20,316	60,242	86,892	107,471
Medium and Small Grants	467,816	22,318	189,662	679,796	577,852
Pension	-	3,452	539	3,991	6,200
2021	474,150	46,086	250,443	770,679	691,523
2020	398,134	42,639	250,750		

6 Analysis of new grants

	2021	2020
	£	£
Large Grants (paid & payable)		
- Paid directly to educational organisations on behalf of individuals	7,500	32,523
- Paid to individuals	-	-
- Prior year commitments reversed	(1,166)	(4,151)
	6,334	28,372
Medium Grants (paid & payable)		
- Paid directly to organisations on behalf of individuals	-	11,182
- Paid to individuals	60,605	28,275
	60,605	39,457
Small Grants (paid & payable)		
- Paid directly to organisations on behalf of individuals	-	-
- Paid to individuals	407,211	330,305
	407,211	330,305
Total grants for the year	474,150	398,134

7 **Governance costs**

	2021	2020
	£	£
Audit fees (note 10)	10,380	9,360
Insurance	2,061	1,745
Professional fees (including Consultancy)	1,140	4,919
Other office costs	3,021	3,161
	16,602	19,185
Support costs (note 8)	(16,602)	(19,185)
	-	-

8 **Support costs**

	2021	2020
	£	£
Staff costs (note 9)	251,219	263,641
Bookkeeping costs (note 10)	1,224	1,320
Office costs	35,004	43,062
Amortisation	-	6,000
Depreciation	2,289	1,323
Governance costs (note 7)	16,602	19,185
	306,338	334,531
Allocated to:		
Expenditure on raising funds (note 4)	55,895	83,781
Charitable activities (note 5)	250,443	250,750
	306,338	334,531

9 **Employees**

	2021	2020
	£	£
Wages and salaries	223,344	234,344
National insurance	21,387	22,507
Employer's Pension	6,488	6,790
	251,219	263,641

	Number	Number
Number of employees		
The average number of employees during the year was:		
Management and administration	7	7

One employee earns in excess of £60,000 but less than £90,000 per annum (2020: one)

Total remuneration of key management personnel was £119,834 (2020: £117,895)

10 **Auditors and Accountants' remuneration**

		2021	2020
		£	£
Audit	Saffery Champness	10,380	9,360
Bookkeeping	Bookkeeping & Office Services	1,224	1,320
		11,604	10,680

11 **Fixed Assets**

Intangible fixed assets

	Website	Total
	£	£
Cost		
At 1 July 2020	18,000	18,000
Additions	-	-
At 30 June 2021	18,000	18,000
Amortisation and impairment		
At 1 July 2020	18,000	18,000
Charge for the year	-	-
At 30 June 2021	18,000	18,000
Net book value		
At 30 June 2021	-	
At 30 June 2020	-	-

Tangible fixed assets

	Computer Equipment	Office Equipment	Total
	£	£	£
Cost			
At 1 July 2020	19,465	1,407	20,872
Additions	4,678	-	4,678
Disposals	-	(1,407)	-
At 30 June 2021	24,143	-	25,550
Depreciation			
At 1 July 2020	17,447	944	18,391
Charge for the year	1,826	70	1,896
Disposals	-	(1,014)	393
At 30 June 2021	19,273	-	20,680
Net book value			
At 30 June 2021	4,870	-	4,870
At 30 June 2020	2,019	463	2,482

12 **Investments**

	2021	2020
	£	£
Quoted investments		
Market value at 1 July 2020	7,767,437	8,279,547
Additions and other adjustments	1,520,446	2,498,824
Disposals (proceeds £2,491,924; gain £855,342)	(1,636,582)	(2,354,319)
Unrealised gain/(loss) on investments	66,030	(656,615)
Market value at 30 June 2021	7,717,331	7,767,437
Cash held at investment managers	305,691	87,367
	8,023,022	7,854,804
Historical cost at 30 June 2021	6,110,979	6,227,115

All investments are held primarily to provide an investment return for the Charity.

Geographical Analysis		2021	2020
		£	£
United Kingdom	- Fixed Interest	1,021,494	1,102,768
	- Equity	1,980,886	2,058,422
Europe	- Equity	563,250	524,759
USA	- Equity	1,707,602	1,791,112
Asia	- Equity	304,519	349,305
Japan	- Equity	206,010	202,310
Emerging Markets	- Equity	317,709	349,358
Global	- Equity	355,210	218,359
Alternative	- Property	-	-
Investments	- Equity	1,260,651	1,171,044
		7,717,331	7,767,437

All investment income is derived from investments traded on the UK stock exchange.

13 **Debtors and prepayments**

	2021	2020
	£	£
Other debtors	3,400	7,755
Prepayments	4,660	14,808
Accrued income	23,365	39,727
	31,425	62,290

14 **Creditors: amounts falling due within one year**

	2021	2020
	£	£
Large Grants payable (see below)	7,500	32,523
Medium and Small Grants payable (see below)	5,350	15,369
Taxation and Social security	5,831	5,123
Company Credit card	413	474
Other creditors	-	-
Accruals	21,498	51,756
	40,592	105,245

The Trustees have included as a liability, grants payable within one year that have been communicated in writing prior to the balance sheet date.

	2021	2020
	£	£
Large Grants payable at 1 July 2020	32,523	38,875
Medium Grants payable at 1 July 2020	14,769	3,528
Small Grants payable at 1 July 2020	600	-
	47,892	42,403
New commitments/ Transfers to/from designated fund (note 6)	474,150	398,134
Paid during the year	(509,192)	(392,645)
	12,850	47,892
Large Grants payable at 30 June 2021	7,500	32,523
Medium Grants payable at 30 June 2021	5,350	14,769
Small Grants payable at 30 June 2021	-	600
Total Grants carried forward payable 2021/22	12,850	47,892

15 **Grant commitments**

The amount committed by the Trustees to specific charitable expenditure, communicated in writing prior to the balance sheet date and falling due for payment after more than one year, has been accounted for by way of a transfer to the designated fund. These relate to support for children with additional needs, at fee paying schools: in October 2018, the Board unanimously agreed that no further contributions would be considered for the above as from 1 July 2019. During 2021/22 this will decrease to £7,500, with the final grant payments concluding in June 2022.

The payment of future grants is contingent upon grant conditions being met and is subject to an annual review by the Trustees, who retain the discretion to terminate any grant. The balance on the designated fund, representing the future liability at the balance sheet date was £0 (2020: £7,500).

16 **Funds**

	Unrestricted		Restricted		
	General fund	Designated fund	Expendable endowment	Permanent endowment	Total
	£	£	£	£	£
At 1 July 2020	-	7,500	7,880,677	-	7,888,177
Income	260,951	-	84,965	-	345,916
Expenditure	(823,454)	-	-	-	(823,454)
Transfers	562,503	(7,500)	(555,003)	-	-
Gain/(loss)on revaluation and disposal of investment assets	-	-	921,372	-	921,372
At 30 June 2021	-	-	8,332,011	-	8,332,011

17 **Analysis of assets between funds**

	Unrestricted		Restricted		
	General fund	Designated fund	Expendable endowment	Permanent endowment	Total
	£	£	£	£	£
Intangible fixed assets	-	-	-	-	-
Tangible fixed assets	-	-	4,870	-	4,870
Investments	-	-	8,023,022	-	8,023,022
Current assets	-	-	344,711	-	344,711
Current liabilities	-	-	(40,592)	-	(40,592)
	-	-	8,332,011	-	8,332,011

18 **Related Parties**

No Trustee, or persons connected with the Trustees, received any remuneration or were reimbursed any expenses from the Charity during the year (2019-20: None)

FASHION & TEXTILE CHILDREN'S TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2020

	Notes	Unrestricted Income Funds £	Endowment Funds* £	Total 2020 £
Income and endowments from:				
Donations and legacies		-	16,176	16,176
Other trading activities		-	60,695	60,695
Income from Investments	2	294,956	-	294,956
Total Income and endowments		294,956	76,871	371,827
Expenditure on:				
Raising Funds	4	157,211	1,085	158,296
Charitable activities	5	686,608	4,915	691,523
Total Expenditure	3	843,819	6,000	849,819
Net Loss on investments	12	-	(333,752)	(333,752)
Net expenditure		(548,863)	(262,881	(811,744)
Transfer between funds		516,340	(516,340)	-
Net (outgoing) resources before other recognised gains and losses		(32,523)	(779,221)	(811,744)
Other gains/(losses)		-	-	-
Net movement in funds for the year		(32,523)	(779,221)	(811,744)
Total funds brought forward		40,023	8,659,898	8,699,921
Total funds carried forward		7,500	7,880,677	7,888,177