

Registered number: 04112525

Charity number: 1086562

FREDERICKS FOUNDATION

(A company limited by guarantee)

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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FREDERICKS FOUNDATION
(A company limited by guarantee)

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FREDERICKS FOUNDATION
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2021**

Trustees	P Barry-Walsh, Chairman P E Kelly (resigned 29 June 2021) N Mehta D A Herbert F Cai
Company registered number	04112525
Charity registered number	1086562
Registered office	2 Communications Road Greenham Business Park Newbury Berkshire RG19 6AB
Senior management team	D Parker, Chief Executive Officer
Accountants	James Cowper Kreston Chartered Accountants and Statutory Auditor 2 Communications Road Greenham Business Park Newbury Berkshire RG19 6AB
Bankers	The Bank of Scotland Edinburgh Royal Mile 300 Lawn Market Edinburgh EH1 2PH
Solicitors	Ranson Houghton 1-5 Bridge Street Andover Hampshire SP10 1BE

FREDERICKS FOUNDATION
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CHAIRMAN'S REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The chairman presents his statement for the year.

Adapt or die, this Darwinian aphorism is as true in a pandemic as ever. Even before the pandemic Fredericks was looking for a more sustainable model, one that had as big an impact, cost less to run and one that provided flexibility to our clients. A tall order but we believe we are on the road to achieving this. We have introduced three big changes:

1. We will provide Revenue Share agreements and not loans

Our clients may not have the profile to attract the millions of larger Social Enterprises so we will offer capital in return – we will typically get a small % of the revenue. We find this more flexible because if an organisation has an issue – say a pandemic for instance - revenue immediately drops and so do the repayments. We believe this innovative model will be a really useful tool and many organisations seem to agree.

2. We back Social Enterprises now not individuals

There were very few organisations providing loans to the 'difficult to finance' back in 2000 and now there are many more organisations. However, we identified that some Social Enterprises had problems getting sufficient capital.

Fredericks has been providing loans to those members of society who cannot access traditional sources of credit at a reasonable rate. Typically, we provided funds of between £5-10,000 for new businesses. Over the years we funded nearly 2,000 micro businesses, many of them set up by women, ex-offenders, single parents or bankrupts. We believed strongly in self-help and that everyone deserves a second chance.

However, we found getting viable candidates more and more difficult over the years with our approval rate dropping from 10% per enquiry down to 4%. This meant we had to carry out twice the due diligence for the same result. At the same time our increasingly comprehensive reviews meant costs increased but our default rate remained stubbornly high.

Fredericks new mission is to support ORGANISATIONS doing good. We are focusing on smaller social enterprises, bCorps, often small or newish entities which may get overlooked. We still deploy rigorous evaluations and try to assist them in their mission.

3. We are staffed by volunteers and have no full- time employees

Since we implemented our new model, we are run almost exclusively by volunteers and we have had a really encouraging start. Our very first client was Birdsong, a Social Enterprise that employs female immigrants providing them with a living wage. We have also supported a Fredericks client who wished to expand her business and a company raising funds for charities through digital events- which has done very well through lockdown. We have a new limit of £35,000 but expect to agree only a dozen or so agreements a year.

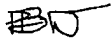
CONCLUSION

Some 80% of donations go to the largest 20 UK charities. The remaining 20% is shared by 166,000 charities or so. Fredericks has always had a skill at finding those great causes that cannot attract capital. We provide each one with a personal scheme to meet their requirements and we try to assist them in their mission, again using volunteers. So, our objective of finding a more sustainable model, but one that has as big an impact and that is cheaper to run, looks like it is has been achieved. It is early days, but I am very excited for the future.

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CHAIRMAN'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Finally, it is a tribute to the staff that they supported this move even though they would lose their roles, and many have opted to volunteer.



Paul Barry-Walsh 08 Jul 2021 15:40:00 BST (UTC +1)

P Barry-Walsh
Founder and Chairman

Date: 29 June 2021

FREDERICKS FOUNDATION
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The Trustees present their annual report together with the financial statements of the company for the year 1 April 2020 to 31 March 2021. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) as amended by Update Bulletins 1 and 2.

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and Activities

Policies and Objectives

In order to benefit the public, the objectives of the Charity are as follows:

- to assist the disadvantaged into self-employment;
- to assist those in financial hardship to either set up in business or obtain paid employment;
- to assist those whose businesses are struggling in the current climate; and
- to undertake other specific projects which the Trustees believe have merit.

Activities have been designed to achieve these objectives and have included the following:

- the provision of micro-finance;
- provision of funding via Revenue Share agreements;
- business support and assistance;
- provision of pecuniary and other assistance; and
- advancing education through the provision and assistance of training, teaching, mentoring and other services and facilities.

Assistance and support is provided irrespective of age and provides public benefit as it is focused on those who are unable to obtain finance through mainstream organisations such as banks.

Loans have always been available to anyone who qualifies. Fredericks Foundation ("Fredericks") has targeted people who are unemployed, lone parents, ex-offenders, ex-military, disabled or who live in areas of deprivation and can themselves be described as disadvantaged. These groups are usually unable to obtain financial help from conventional financial institutions.

The public benefit is therefore two-fold: Fredericks has provided assistance to specific parts of society to improve people's lives, whilst in turn benefitting the wider public as claims for state assistance are reduced.

We review our aims, objectives and activities each year in order to ensure that they remain focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

Key to our operation is the free mentoring and guidance we give to those whose applications for assistance are successful. We have c160 registered mentors, and we have around 42 clients currently receiving the benefit of a mentor.

Fredericks will only make an offer of financial support when it believes the business will be viable. We then nurture/mentor our clients, which improves the recovery rate, and ultimately benefits both those we support and the wider public.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Objectives and Activities (continued)

Charitable Activities

During the year, Fredericks has continued to provide business advice, business planning, start-up and expansion loans, mentoring and ongoing assistance and support to disadvantaged individuals wishing to improve their economic circumstances through self-employment.

This assistance has included disadvantaged people of all ages, supporting them into self-employment by offering:

- repayable loans of up to £15,000 for start-up businesses;
- repayable loans of up to £35,000 for existing businesses;
- up-front loan application support;
- on-going business guidance and mentoring.

Over the last few years, the Trustees have continued to explore ways for the Charity to evolve and achieve a sustainable longer-term operating model. This model needed to have as big a Social Impact as possible, cost less to run, but at the same time provide as much flexibility to our clients as possible.

Towards the end of the year, we introduced a new funding model by way of "Revenue Share Agreements", focusing this towards the Social Enterprise sector. We continue to support our existing clients when additional "top-up" funding is required, but we identified Social Enterprises, bCorps etc, which are often small and/or relatively "young" as needing support to achieve their mission of "doing good".

The Revenue Share model is also more flexible. If an organisation we have funded starts to experience financial difficulties and their revenues drop – the pandemic over the last year being a case in point - then the "repayments" under the Revenue Share Agreement would also drop, providing them with much needed time to stabilise their business.

In all cases, Fredericks endeavours to tailor business support and funding to an individual's situation, rather than just offering "off the shelf" micro-finance loans to start-ups.

Our services have historically been delivered by a small pool of Client Managers and a helpdesk facility employed by Fredericks. The Client Managers assumed responsibility for identifying suitable clients, analysing and assisting in the preparation of business plans and cash flows, and recommending suitable candidates to Lending Panels. Since implementation of the new funding model, Fredericks is now run almost exclusively by volunteers.

Lending Panels are also comprised of volunteers (including Trustees and mentors) with relevant expertise such as accountants, bankers and entrepreneurs. The panels are responsible for the final decisions on the funding of a client.

Our volunteer team includes people with diverse commercial backgrounds who wish to apply their business skills for the benefit of the Charity's clients. We are extremely fortunate to have them and the support they provide is invaluable.

Fredericks works in partnership with other organisations to carry out our charitable objectives. This extends our reach for potential clients and donors. It also expands the services we can offer (e.g. intensive business support), enabling us to provide a fuller range of offerings without putting excessive pressure on our funding or operations.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Objectives and Activities (continued)

Indicators, Milestones and Benchmarks

To monitor the success of the Charity in achieving its charitable objectives through its principal activity, the Trustees identify and measure several key performance indicators, and monitor the Charity's achievements and actual outcomes against annual budgets and targets.

In assessing the extent to which beneficiaries benefit from Fredericks's activities, the Trustees monitor the numbers and amounts of client loans/funding and track the progress of repayment rates to ensure our charitable objects are being delivered.

To date around £7 million has been disbursed to over 1,700 individuals, the majority of whom have become successfully self-employed or returned to full-time employment.

Benchmarks

The prime benchmarks adopted by the Trustees to monitor the progress of the Charity include:

- Number of enquiries received
- Number of clients funded
- Number of businesses and jobs created
- Total amount of funding provided to clients
- Funding received by Fredericks
- Source of funds raised
- Cost of delivering funding
- Client loan repayments
- Social impact

The Trustees receive regular reports on these key performance indicators which are reviewed in detail at the Trustee Board meetings. Many of these benchmarks are also reported to external funders.

Achievements and Performance

We benefitted from receiving an EU award of first-loss loan guarantee funding which, since inception in January 2016, protected c18% of our lending. However, due to Brexit we will ultimately lose this and await to be advised what the UK version will be, if any. It will be sorely missed.

Fredericks was an authorised Community Investment Tax Relief provider, and at its peak we had nearly £600,000 under management in this scheme. During the year, we adopted a strategy to repay all the CITR investment and ensure that any financial impact from the pandemic did not risk the solvency of the Charity. We are delighted to report that this strategy was successfully delivered and all CITR investments had been fully repaid by the year end. We are also pleased to report that during the process of repaying the CITR investments, a number of the CITR holders converted part of their funds that were due for repayment into donations.

We have also completed the reorganisation of our Restricted Capital Funds, the majority of which were originally provided under the Regional Growth Fund (RGF) contract in 2012. Although the contract expired in 2017, we continued to deliver the services under this contract for the following two years, including providing loans to start-up businesses, up-front loan application support, and on-going business guidance and mentoring support. In 2019, we received formal confirmation from BEIS of completion of the RGF contract, and this enabled us to undertake conversations with the Community Foundations regarding the reorganisation of the Fredericks operating model (see further comments within the Chairman's report) and the Restricted Capital Funds. We completed this process towards the end of the financial year and further detail can be found under note 20 of the accounts.

FREDERICKS FOUNDATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Achievements and Performance (continued)

We continue to spend a significant amount of time and activity delivering on our strategy. We have worked very hard on reducing our default rate over the past few years through a mixture of improving the loan application and decision-making process. Over the past twelve months we have seen loan balances with arrears reduce by 30%, which follows the previous twelve months where we had seen balances with arrears more than halve. We continue to rationalise our operations and have improved dramatically the management of our volunteering system.

Financial Review

Financial Results of Activities & Events

Income for the year totalled £335,146 (2020: £368,835). Costs in 2021 totalled £596,824 (2020: £448,835). The result was a deficit of £259,678 (2020: deficit of £80,000).

Loans, grants and donations paid	No.	Amount
Loans	11	£80,230
Revenue Share Agreements	1	£25,000

Community Investment Tax Relief Scheme

During the year, Fredericks retained accreditation for the CITR scheme. This allowed Fredericks to take investments in the form of loans from both individuals and companies and retain these investments for 5 years. These funds could then be used for onwards lending. In return, the investor was allowed by HMRC to deduct 5% of the investment from their final tax liability.

As detailed above, the CITR investments were fully repaid towards the end of the year and we have taken the decision to remove our accreditation of the CITR scheme.

Reserves Policy

Fredericks' policy is to set aside funds to meet financial risks associated with future uncertainties and other contingencies that are identified from time to time. The Charity's unrestricted free reserves as at 31 March 2021 were £158,621 (2020: £121,079).

The Trustees believe that it is appropriate to carry a reserve to cover a minimum of 3 months' worth of costs, which at current rates would equate to approximately £20,000. With the current unrestricted reserves standing at £158,621, this objective has been met. The Trustees continue to monitor this closely on an ongoing basis and this has never been more relevant than during the current unprecedented times we are experiencing with the COVID-19 situation.

The first COVID-19 "lockdown" came just prior to the start of the current financial year, and as in previous years our major challenge has been our ability to generate income for lending and for operational expenditure. One follows the other, as much of our revenue is generated by lending and with limited capital to lend, it impacts on our ability to generate operational funding.

We also had to cancel several projects which had been originated to raise further unrestricted funds, including fundraising events, and it is clear that a number of corporate and individual donors have suspended support until the COVID-19 situation becomes clearer.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Financial Review (continued)

Investments Policy

The investment policy is to be risk-free and accordingly funds at the moment are only invested in current or term deposit accounts with major banks. The term of such deposits is varied with reference to future cash requirements and links to the timing of existing funding commitments and the use of reserves as detailed above.

Structure, Governance and Management

Status and History

Fredericks Foundation is a registered charity, and a company limited by guarantee, not having share capital. Every member undertakes to contribute an amount not exceeding £10 to the assets of the Charity in the event of the Charity being wound-up during the period of membership, or within one year thereafter.

Fredericks Foundation was incorporated on 22 November 2000 and became a registered charity on 14 May 2001. The Charity is governed by the rules and regulations set down in its company Memorandum and Articles of Association as last updated on 9 April 2001.

Organisational Structure

The overall strategic direction of the Charity is determined by the Trustees, who are also directors under the Companies Act 2006. They are empowered to take such steps as are necessary to achieve the objectives of the Charitable Company. This includes making appropriate arrangements for the sound management of the Charity's business. In practice, this is done by delegating certain of the Trustees' powers to a "management team", which includes the Chairman of Trustees and one other Trustee, who report back to the full Board at the quarterly Trustees' meetings.

Full Board of Trustees' meetings are held at quarterly intervals, with additional interim meetings if and when required, and the "management team" meet weekly.

Method of Recruitment, Appointment, Election, Induction and Training of Trustees

Recruitment

Reflecting the principal activities of the Charity to assist disadvantaged individuals into self-employment and to assist the development and expansion of the clients, an emphasis is placed on recruiting Trustees with commercial, entrepreneurial and business backgrounds.

Fredericks has developed a "Trustees' job description" to assist in the recruitment of Trustees, identifying the basic skills required for individual Trustees with the aim of achieving complementary and diverse skills within the Board of Trustees, and with the intention of encouraging diversity to maximise achievement, creativity and good practice.

Appointment and Election

At 31 March 2021, there were five Trustees that had been appointed by ordinary resolution at the Annual General Meeting. At each Annual General Meeting one third of the Trustees are subject to retirement by rotation.

Induction and Training

An induction process has been developed for all new Trustees commencing with an explanation of the roles and responsibilities of Trustees, an introduction by a senior member of staff to the services delivered by Fredericks, and the manner of their delivery including an introduction to all senior personnel.

FREDERICKS FOUNDATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Structure, Governance and Management (continued)

All Trustees are encouraged to attend external courses to ensure familiarity and understanding of the responsibility of Trustees in strategic planning, funding and governance, ensuring that the Trustees are always conversant with current rules and regulations governing Fredericks' activities.

Towards the end of 2019 all Trustees successfully completed training and accreditation under the FCA Senior Manager and Certification Rules. This is critical in us continuing to be accredited by the FCA to undertake what we do.

Setting of Key Management Personal Remuneration

The remuneration for Key Management is reviewed annually and included with the Annual Budget and Projections which is approved by the Board of Trustees.

Risk and Corporate Governance Matters

The Trustees seek to identify all areas of potential risk to Fredericks both financial and otherwise, including ensuring that risk assessments are carried out for the purposes of Health and Safety at Work and that all recommendations are implemented. A risks register is maintained.

The chief risk facing Fredericks is that funds generated from lending operations are insufficient to cover all expenses of the Charity. This is to be expected when (i) the preponderance of lending historically has been to start-ups; and (ii) the majority of borrowers can be described as disadvantaged. In order to mitigate this risk, the Trustees agreed to widen the spectrum of clients to whom loans are offered, including Charities and Social Enterprises, subject to the majority still remaining within our core target market; i.e. unemployed, lone parents, ex-offenders, ex-military, female, disabled or live in areas of deprivation.

Fredericks has continued to take steps on several fronts to maintain its plurality of funding streams and develop new ones. Funding streams include fundraising events, foundation grants, corporate and individual contributions and service delivery contracts. However, as mentioned above, we had to cancel several projects which had been originated to raise further funding, including fundraising events, as a direct impact of the COVID-19 situation.

The other significant risk Fredericks has faced is achieving the benchmarks that were a condition of its funding contracts. This risk is mitigated by close tracking and monitoring of performance.

Existing and future funding sources are continually scrutinised, evaluated and reported quarterly to the main Board of Trustees.

Professional Indemnity Insurance

The Charity has taken out an insurance policy that provides professional indemnity cover for the trustees. The cost of this insurance for the year was £2,912 (2020: £2,537).

Plans for Future Periods

Future Strategy

To achieve its goals, Fredericks' is seeking its own long-term sustainability through building on enduring revenue streams, partnering other charities and organisations that provide referrals, joint funding opportunities and post funding support, in addition to building up reserves.

FREDERICKS FOUNDATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Plans for Future Periods (continued)

Future Activities and Events (2021/2022)

We remain very aware of the financial ramifications of COVID-19, and our position is under constant review. Our 2021-22 budget includes the following income streams:

- (i) Private and Corporate donations from the primary benefactor and affiliated companies who have committed 1% of their profits;
- (ii) Repayment of loans: the repayment of loans made to those unable to obtain funding from conventional sources is fundamental to the sustainability of the charity;
- (iii) Revenue Share: income from the purchase of Revenue Participation Rights; and
- (iv) Fundraising events.

Information on Fundraising Practices

The Trustees are fully aware of their responsibilities with regards to Fundraising and Reporting and Fredericks has voluntarily registered with the Fundraising Regulator. Our fundraising practices are compliant with the recognised standards of fundraising (set out in the Code of Fundraising Practice) as well as those required under charity law and wider law.

Our fundraising activities do not involve an unreasonable intrusion on a person's privacy. Furthermore, we do not undertake persistent approaches for the purpose of soliciting or otherwise procuring money or other property on behalf of the Charity, or place undue pressure on a person to give money or other property. We have not received any complaints about our fundraising activities.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

FREDERICKS FOUNDATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Statement of Trustees' responsibilities (continued)

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:



..... Paid Barry-Walsh 06 Jul 2021 15:40:00 BST (UTC +1)

P Barry-Walsh

Chairman

Date: 29 June 2021

FREDERICKS FOUNDATION
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INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 MARCH 2021

Independent Examiner's Report to the Trustees of Fredericks Foundation ('the company')

I report to the charity Trustees on my examination of the accounts of the company for the year ended 31 March 2021.

Responsibilities and Basis of Report

As the Trustees of the company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the company's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent Examiner's Statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

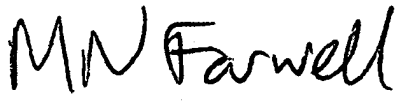
1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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

This report is made solely to the company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work or for this report.

FREDERICKS FOUNDATION
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INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

Signed: 

Dated: 12/07/2021

Michael Farwell MA FCA DChA

James Cowper Kreston
Chartered Accountants and Statutory Auditor
2 Communications Road
Greenham Business Park
Newbury
Berkshire
RG19 6AB

FREDERICKS FOUNDATION
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	3	136,482	1,000	137,482	132,353
Charitable activities:	4				
Income for assisting clients		5,712	52,343	58,055	69,999
Fees and interest on loans		50,988	-	50,988	89,911
Investment income		2,084	-	2,084	-
EaSi claims		-	-	-	30,149
Other grants		63,605	-	63,605	-
Fundraising	5	22,755	-	22,755	43,792
Investments	6	177	-	177	2,631
Total income		281,803	53,343	335,146	368,835
Expenditure on:					
Raising funds	7	600	-	600	36,832
Charitable activities:					
Cost of assisting clients	10	175,006	414,690	589,696	405,047
Governance	10	6,528	-	6,528	6,956
Total expenditure		182,134	414,690	596,824	448,835
Net (losses)/gains on investments	15	(2,000)	-	(2,000)	4,000
Net income/(expenditure)		97,669	(361,347)	(263,678)	(76,000)
Transfers between funds	19	(60,127)	60,127	-	-
Net movement in funds		37,542	(301,220)	(263,678)	(76,000)
Reconciliation of funds:					
Total funds brought forward		121,079	857,556	978,635	1,054,635
Net movement in funds		37,542	(301,220)	(263,678)	(76,000)
Total funds carried forward		158,621	556,336	714,957	978,635

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 17 to 33 form part of these financial statements.

FREDERICKS FOUNDATION
(A company limited by guarantee)
REGISTERED NUMBER: 04112525

BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	-	699
Investments	15	127,000	4,000
		<u>127,000</u>	<u>4,699</u>
Current assets			
Debtors	16	219,475	499,941
Cash at bank and in hand		414,624	1,114,488
		<u>634,099</u>	<u>1,614,429</u>
Creditors: amounts falling due within one year	17	(46,142)	(176,993)
Net current assets		<u>587,957</u>	<u>1,437,436</u>
Creditors: amounts falling due after more than one year	18	-	(463,500)
Total net assets		<u><u>714,957</u></u>	<u><u>978,635</u></u>
Charity funds			
Restricted funds	19	556,336	857,556
Unrestricted funds	19	158,621	121,079
Total funds		<u><u>714,957</u></u>	<u><u>978,635</u></u>

The company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



Paul Barry-Walsh 06 Jul 2021 15:40:00 BST (UTC +1)

P Barry-Walsh

Chairman

Date: 29 June 2021

The notes on pages 17 to 33 form part of these financial statements.

FREDERICKS FOUNDATION
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash used in operating activities	22	23,630	(99,036)
Cash flows from investing activities			
Interest from investments		177	2,631
Purchase of tangible fixed assets		-	(699)
Purchase of investments		(125,000)	-
Net cash (used in)/provided by investing activities		(124,823)	1,932
Cash flows from financing activities			
Cash inflows from new borrowing		-	17,500
Repayments of borrowing		(598,671)	(42,500)
Net cash used in financing activities		(598,671)	(25,000)
Change in cash and cash equivalents in the year		(699,864)	(122,104)
Cash and cash equivalents at the beginning of the year		1,114,488	1,236,592
Cash and cash equivalents at the end of the year	23	414,624	1,114,488

The notes on pages 17 to 33 form part of these financial statements

FREDERICKS FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with 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 (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Fredericks Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £10 per member of the company.

1.3 Going concern

The Trustees have considered the impact of the global Covid-19 pandemic on the ability of the charity to continue trading for the foreseeable future. This review has included considering the impact of the pandemic to the date of signing the financial statements and updating financial projections. Based on this review the Trustees believe that the financial statements have been prepared appropriately on the going concern basis.

1.4 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

1.5 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Donated services or facilities are recognised when the company has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the company of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and refer to the Trustees' report for more information about their contribution.

FREDERICKS FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies (continued)

1.5 Income (continued)

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the company which is the amount the company would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

1.7 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investments held as fixed assets are shown at cost less provision for impairment.

FREDERICKS FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies (continued)

1.10 Debtors

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

1.11 Cash at bank and in hand

Cash at bank and in hand includes cash and 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 Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.13 Financial instruments

The Charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks, other loans and investments in ordinary shares.

Community Investment Tax Relief (CITR) loans are recognised as liabilities in the financial statements at the amounts received on entering the agreement.

1.14 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.15 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

FREDERICKS FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

Provision on client loans

Using information available at the balance sheet date, the Charity makes judgements based on experience regarding the level of provision required to account for potentially uncollectable client loans.

3. Income from donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations from primary benefactor	37,000	-	37,000	40,300
Other donations income	56,642	1,000	57,642	49,213
Gift in kind	42,840	-	42,840	42,840
	<u>136,482</u>	<u>1,000</u>	<u>137,482</u>	<u>132,353</u>
Total 2020	<u>131,053</u>	<u>1,300</u>	<u>132,353</u>	

FREDERICKS FOUNDATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

4. Income from charitable activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Grants receivable	5,712	52,343	58,055	69,999
Fees and interest charged on loans made	50,988	-	50,988	89,911
Investment income	2,084	-	2,084	-
EaSi income	-	-	-	30,149
Non-core government and other support grants for Covid-19	63,605	-	63,605	-
Total 2021	122,389	52,343	174,732	190,059
Total 2020	130,060	59,999	190,059	

5. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Local events	22,755	22,755	43,792
Total 2020	43,792	43,792	

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank interest receivable	177	177	2,631
Total 2020	2,631	2,631	

FREDERICKS FOUNDATION
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

7. Expenditure on raising funds

Fundraising trading expenses

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Event expenses	600	600	25,307
Staff costs	-	-	11,525
	<u>600</u>	<u>600</u>	<u>36,832</u>
Total 2020	<u>36,832</u>	<u>36,832</u>	

8. Analysis of grants

	Grants to Individuals 2021 £	Total funds 2021 £	Total funds 2020 £
Grants made to institutions	<u>5,000</u>	<u>5,000</u>	<u>-</u>

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Costs of assisting clients	175,006	223,127	398,133	405,047
Repayment of Community Funds	-	191,563	191,563	-
Governance costs	6,528	-	6,528	6,956
	<u>181,534</u>	<u>414,690</u>	<u>596,224</u>	<u>412,003</u>
Total 2020	<u>320,109</u>	<u>91,894</u>	<u>412,003</u>	

FREDERICKS FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

9. Analysis of expenditure on charitable activities (continued)

Summary by fund type (continued)

10. Costs of assisting clients

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Other staff costs	907	-	907	2,232
Administration costs and expenses	119,837	6,087	125,924	166,664
Irrecoverable client loan write offs	(29,921)	158,249	128,328	92,523
Accountancy	26,140	4,360	30,500	32,176
Wages and salaries	47,277	54,431	101,708	99,605
National insurance	1,537	-	1,537	5,327
Pension costs	3,996	-	3,996	6,520
Depreciation	233	-	233	-
Grants made to individuals	5,000	-	5,000	-
	<u>175,006</u>	<u>223,127</u>	<u>398,133</u>	<u>405,047</u>
Total 2020	<u>313,153</u>	<u>91,894</u>	<u>405,047</u>	

11. Independent examiner's remuneration

	2021 £	2020 £
Independent examiners fees	5,940	5,640
Fees payable to the company's independent examiner in respect of:		
All other services not included above	198	1,316

FREDERICKS FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

12. Staff costs

	2021 £	2020 £
Wages and salaries	101,708	111,130
Social security costs	1,537	5,327
Other pension costs	3,996	6,520
	<u>107,241</u>	<u>122,977</u>

During the year settlement costs were paid to 3 (2020: 1) employees totalling £39,650 (2020: £2,891).

The average number of persons employed by the company during the year was as follows:

	2021 No.	2020 No.
Operations	2	3
Administration	1	1
Fundraising	-	1
	<u>3</u>	<u>5</u>

No employee received remuneration amounting to more than £60,000 in either year.

Remuneration and benefits paid to key management personnel in the year totalled £45,600 (2020: £57,600). Further details can be found in note 29.

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, expenses totalling £778 were reimbursed or paid directly to 2 Trustees (2020 - £1,812 to 1 Trustee), in respect of travel expenses.

FREDERICKS FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

14. Tangible fixed assets

	Office equipment £
At 1 April 2020	41,802
Disposals	(41,802)
At 31 March 2021	-
At 1 April 2020	41,103
Charge for the year	233
On disposals	(41,336)
At 31 March 2021	-
Net book value	
At 31 March 2021	-
At 31 March 2020	699

15. Fixed asset investments

	Listed investments £	Loans £	Revenue Share Agreements £	Total £
Cost or valuation				
At 1 April 2020	4,000	-	-	4,000
Additions	-	100,000	25,000	125,000
Revaluations	(2,000)	-	-	(2,000)
At 31 March 2021	2,000	100,000	25,000	127,000
Net book value				
At 31 March 2021	2,000	100,000	25,000	127,000
At 31 March 2020	4,000	-	-	4,000

Revenue Share Agreements are amounts invested in organisations where the Charity receives a percentage of income from the organisation in return.

FREDERICKS FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

16. Debtors

	2021 £	2020 £
Due after more than one year		
Client loans (net of provision)	103,019	271,209
	<u>103,019</u>	<u>271,209</u>
Due within one year		
Client loans (net of provision)	112,213	193,528
Other debtors	206	206
Prepayments and accrued income	4,037	34,998
	<u>219,475</u>	<u>499,941</u>

17. Creditors: Amounts falling due within one year

	2021 £	2020 £
Other loans	20,301	30,472
Community Investment Tax Relief (CITR) scheme	-	125,000
Trade creditors	13,317	11,486
Other taxation and social security	3,266	1,736
Other creditors	1,687	1,679
Accruals and deferred income	7,571	6,620
	<u>46,142</u>	<u>176,993</u>

18. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Community Investment Tax Relief (CITR) scheme	-	463,500
	<u>-</u>	<u>463,500</u>

FREDERICKS FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

19. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Unrestricted funds						
General Funds - all funds	121,079	281,803	(182,134)	(60,127)	(2,000)	158,621
Restricted funds						
Yarlington Housing Group Loan fund	40,844	-	-	(40,844)	-	-
Community Foundation - Kent	114,976	-	(50,134)	(64,842)	-	-
Community Foundation - Cornwall	11,172	-	(1,607)	(9,565)	-	-
Community Foundation - Northamptonshire	72,575	-	(53,624)	(18,951)	-	-
Community Foundation - Cambridgeshire	92,422	-	(19,225)	(73,197)	-	-
Community Foundation - Bristol & Bath	268,521	-	(156,375)	(112,146)	-	-
Community Foundation - London	97,971	-	(42,510)	(55,461)	-	-
Community Foundation - Devon	30,442	-	(5,916)	(24,526)	-	-
Community Foundation - Wiltshire	63,661	-	(3,914)	(59,747)	-	-
Community Foundation - Lincolnshire	60,711	-	-	(60,711)	-	-
Surrey County Council community sector grant	-	50,000	(55,652)	5,652	-	-
Friendly Lending	4,161	1,000	-	-	-	5,161

FREDERICKS FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

19. Statement of funds (continued)

Statement of funds - current year (continued)

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
Women's Loan Fund	100	-	-	-	-	100
BBO	-	2,343	(2,343)	-	-	-
Capital Fund	-	-	(23,390)	574,465	-	551,075
	<u>857,556</u>	<u>53,343</u>	<u>(414,690)</u>	<u>60,127</u>	<u>-</u>	<u>556,336</u>
Total of funds	<u><u>978,635</u></u>	<u><u>335,146</u></u>	<u><u>(596,824)</u></u>	<u><u>-</u></u>	<u><u>(2,000)</u></u>	<u><u>714,957</u></u>

Capital Fund

The Capital Fund consists of income received under the Regional Growth Fund contract, which has now been formally completed. These funds have now been reorganised into the Capital Fund, which is restricted to the provision of loans and revenue share agreements to participants. For more detail, see the Trustees' Report.

FREDERICKS FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2020 £
Unrestricted funds					
General Funds - all funds	166,484	307,536	(356,941)	4,000	121,079
Restricted funds					
Yarlington Housing Group Loan fund	40,844	-	-	-	40,844
Community Foundation - Kent	122,349	-	(7,373)	-	114,976
Community Foundation - Cornwall	10,506	-	666	-	11,172
Community Foundation - Northamptonshire	77,106	-	(4,531)	-	72,575
Community Foundation - Cambridgeshire	91,860	-	562	-	92,422
Community Foundation - Bristol & Bath	271,115	-	(2,594)	-	268,521
Community Foundation - London	98,313	-	(342)	-	97,971
Community Foundation - Devon	30,102	-	340	-	30,442
Community Foundation - Wiltshire	77,467	-	(13,806)	-	63,661
Community Foundation - Lincolnshire	60,701	-	10	-	60,711
Surrey County Council community sector grant	4,714	50,000	(54,714)	-	-
Friendly Lending	3,074	1,200	(113)	-	4,161
Women's Loan Fund	-	100	-	-	100
BBO	-	9,999	(9,999)	-	-
	888,151	61,299	(91,894)	-	857,556
Total of funds	1,054,635	368,835	(448,835)	4,000	978,635

FREDERICKS FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

20. Summary of funds

Summary of funds - current year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2021 £
General funds	121,079	281,803	(182,134)	(60,127)	(2,000)	158,621
Restricted funds	857,556	53,343	(414,690)	60,127	-	556,336
	<u>978,635</u>	<u>335,146</u>	<u>(596,824)</u>	<u>-</u>	<u>(2,000)</u>	<u>714,957</u>

Summary of funds - prior year

	Balance at 1 April 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 March 2020 £
General funds	166,484	307,536	(356,941)	4,000	121,079
Restricted funds	888,151	61,299	(91,894)	-	857,556
	<u>1,054,635</u>	<u>368,835</u>	<u>(448,835)</u>	<u>4,000</u>	<u>978,635</u>

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Fixed asset investments	127,000	-	127,000
Debtors due after more than one year	103,019	-	103,019
Current assets	(45,557)	576,637	531,080
Creditors due within one year	(25,841)	(20,301)	(46,142)
Total	<u>158,621</u>	<u>556,336</u>	<u>714,957</u>

FREDERICKS FOUNDATION
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	699	-	699
Fixed asset investments	4,000	-	4,000
Debtors due after more than one year	271,209	-	271,209
Current assets	459,534	883,686	1,343,220
Creditors due within one year	(150,863)	(26,130)	(176,993)
Creditors due in more than one year	(463,500)	-	(463,500)
Total	121,079	857,556	978,635

22. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	(263,678)	(76,000)
Adjustments for:		
Depreciation charges	233	-
Gains/(losses) on investments	2,000	(4,000)
Interest from investments	(177)	(2,631)
Loss on the sale of fixed assets	466	-
Decrease/(increase) in debtors	280,466	(19,483)
Increase in creditors	4,320	3,078
Net cash provided by/(used in) operating activities	23,630	(99,036)

23. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	414,624	1,114,488
Total cash and cash equivalents	414,624	1,114,488

FREDERICKS FOUNDATION
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

24. Analysis of Net Debt

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	1,114,488	(699,864)	414,624
Debt due after 1 year	(463,500)	463,500	-
Debt due within 1 year	(155,472)	135,171	(20,301)
	<u>495,516</u>	<u>(101,193)</u>	<u>394,323</u>

25. Contingent liabilities

The charity received funds as loans from donors for use in providing loans to clients. As at the year end £nil (2020: £1,366) of these loans are provided against in the balance sheet as the loans to client do not appear to be collectable. If the loans to clients were to be collected then these amounts would be due back to the donor.

26. Pension commitments

The Charity makes contributions into defined contribution pension schemes on behalf of certain employees. The assets of the schemes are held separately from those of the charity in independently administered funds. The amount charged to the Statement of Financial Activities in respect of pension costs was £3,996 (2020: £6,520). At the year end £1,576 (2020: £1,330) was outstanding to the scheme in respect of pension contributions.

27. Operating lease commitments

At 31 March 2021 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Within 1 year	<u>-</u>	<u>364</u>

FREDERICKS FOUNDATION
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

28. Related party transactions

During the year Trustee Mr P Barry-Walsh made donations to the charity of £37,000 (2020: £40,300). He also provided free accommodation for use as the charity's office premises, the market rent of which is £42,840 (2020: £42,840).

During the year donations were received from the following companies in which Trustee Mr P Barry-Walsh has a significant interest: Bluesource Information Ltd £2,500 (2020: £3,750), Farm Power Ltd £nil (2020: £1,000), Silver Arrow Systems Ltd £nil (2020: £1,000), Dans Le Noir Ltd £nil (2020: £3,000) and Fortress Availability Services Ltd £1,000 (2020: £1,000).

During the year grants of £5,000 (2020: £nil) were made to The Beacon Fellowship Charitable Trust, a charity in which Mr P Barry-Walsh has a significant interest.

During the year, 2 (2020: 4) other Trustees made donations to the charity of £1,098 (2020: £4,274).

CEO Mr D Parker is a director of and has a significant interest in Ethical Goods Ltd. During the year the company supplied consultancy services on an arms length basis of £38,600 (2020: £57,600). Mr D Parker was also paid £7,000 (2020: £nil) for project based services.

During the year, the charity invested £100,000 with Ask Inclusive Finance Limited, a company in which Mr P Barry-Walsh has an equity stake. Investment income of £2,084 (2020: £nil) was received from this investment.