

Charity Registration No. 1144584

Company Registration No. 07525263 (England and Wales)

QUINTESENTIALLY FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

tc accounts · tax · legal · financial planning

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QUINTESSENTIALLY FOUNDATION

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QUINTESSENTIALLY FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr R Brooks Mr A G Crawley Mr P C Crowther Mr B W Elliot Mr S G Lee Miss E R McCarthy
Chief executive officer	Mr J Davis (Appointed 20 February 2023)
Charity number	1144584
Company number	07525263
Principal address	29 Portland Place London W1B 1QB
Registered office	29 Portland Place London W1B 1QB
Auditor	TC Group The Courtyard Shoreham Road Upper Beeding Steyning West Sussex BN44 3TN
Bankers	Coutts 440 Strand London WC2R 0QS

QUINTESSENTIALLY FOUNDATION

FIREFLY

TRUSTEES REPORT

The trustees present their report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charities Act 2011, the Companies Act 2006 and 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) as amended for accounting periods commencing from 1 January 2016.

Grant-Making Policy and Aims

The Firefly Project is a new initiative launched by Quintessentially Foundation in 2022. Our aim is to bring together a group of small but ambitious, high-impact charities and support them to achieve scale.

We have chosen to support front-line charities working with children and young people living in poverty in London. We aim to amplify these organisations' profile and impact by enabling their growth. We seek to be an active and engaged partner where the financial grant is only the starting point of our relationship with the charities. We work with them to understand what additional support we can help unlock, from making introductions to corporate partners and individuals who can provide advice or gifts to accessing new pools of volunteers and additional funding through Quintessentially Foundation events and patrons.

Fundraising & Events

Patrons Programme: The Quintessentially Foundation trustees learned through their earlier giving that there are many other donors who are looking to support small, dynamic charities tackling difficult issues but struggle to source them. The Firefly Project enables other donors to confidently support good causes that have already been through a rigorous selection process. As part of this, we ran an active patrons programme for donors and organised a range of issues-led events throughout 2022, including round tables and panel discussions. We look forward to continuing to grow and engage this community of donors. We are extremely grateful to all our patrons for their support in 2022.

The Fayre of St. James; the Christmas carol concert took place in the beautiful enclaves of St James' Church, Piccadilly, and was a magical evening of carols, readings, and live performances by Lord Fellowes, Daisy Edgar-Jones, David Walliams, Minnie Driver, Jack Cullen, Nadine Benjamin and Ellie Goulding. We were delighted to be joined by The Firefly Project charities including a team of volunteers from 20/20 Change. This annual event continues to go from strength to strength, raising £294,854 for The Firefly Project in 2022.

In June, 60 cyclists came together for the twelfth annual **The Quintessentially Foundation Bike Ride 2022:** cycling 530km from Pisa to Rome along some of Italy's toughest cycling routes, raising over £400,000 for The Firefly Project.

2022 Grants

The Firefly Project supports charities at an early stage of development for whom clarity on their future revenue is critical, so we aim to partner with each organisation for three years. We give unrestricted grants because we believe the charities themselves are best placed to determine how those funds are used. This gives them the flexibility to take advantage of opportunities as they arise, deal with unforeseen circumstances, be creative and innovative and use funds to address the greatest need.

The first five charities selected were chosen in 2022 following a rigorous selection and due diligence process. All demonstrate the qualities and potential to be scaled up and ensure their life-changing services reach even more children and young people. Each charity received an initial 12-month, £50,000 grant:

Little Village
The Kids Network
20/20 Change
Doorstep Library
Team Up

20/20 Levels (formerly 20/20 Change) is a youth empowerment organisation that works with young Black people. Through the 10-week 'I Am Change' programme, 20/20 Change equips them with the skills and mindset to successfully transition from education to employment. Between 2016 and 2020, the charity worked with a total of 450 young people. The Firefly Project will eventually enable them to work with over 400 young people annually. <https://2020change.org>

Doorstep Library is a community-focused charity dedicated to bringing the gift of books and the joy of reading directly into the homes of children across London who need its support. With up to one in four 11- year-olds leaving primary school unable to read or write properly, it recruits and trains home and online reading volunteers to go into some of the most disadvantaged areas in London to help introduce young children to the pleasure of reading. <https://doorsteplibary.org.uk>

Little Village runs a baby bank network to redistribute clothes, toys and equipment for babies and children up to the age of five. The families they support often deal with challenging circumstances like homelessness, unemployment, low wages, and domestic violence. Families are referred via a network of professionals from over 500 organisations, such as midwives, social workers and children's centres. The Firefly Project will support their plans to grow their reach from 4,500 referrals yearly to +14,000 by 2024. <https://littlevillagehq.org>

Team Up uses tuition, delivered by inspirational role models, to enable pupils from low-income backgrounds to meaningfully increase their academic attainment to improve the choices open to them. Education is the key to social mobility, and research suggests that regular small-group tuition is one of the most effective ways of accelerating a child's academic progress. The Firefly Project will support them to increase the number of young people they can reach. <https://teamup.org.uk>

The Kids Network supports children at a crucial time in their lives as they transition from primary into secondary school. They do this by providing them with a volunteer mentor from their London community. As a result of the programme, 94% of children reported feeling more confident, 82% were excited to go to school, and 76% were making positive choices for themselves. The Firefly Project will support expanding this work into new schools and new boroughs across London. <https://www.thekidsnetwork.org.uk>

Staff

David Meredith our CEO left 21st October 2022. He created the Firefly Project which is his enduring legacy at the Foundation. We were delighted to have the support of Phoebe Reith from Studio Reith who led the team as Interim CEO while we recruited a new Chief Executive. Joel Davis was appointed on 20th February 2023, bringing invaluable insight and understanding of small charities, growing an enterprise and the wider grant-giving sector. Joel joins us after over a decade in his previous role as CEO and Founder of Tutors United, a London-based tutoring charity. "I am excited to join Quintessentially Foundation and share their belief that the funding sector can do more to increase the resources available and introduce more donors to these incredible charities in a way that positively supports their mission" Joel Davis, Chief Executive - Quintessentially Foundation.

"It feels very collaborative" The Kids Network CEO Sarah Woodcock commenting on the charity's relationship with Quintessentially Foundation.

"The experience has been really positive. It's exceeding my expectations," Doorstep Library CEO Katie Bareham commenting on her experience of being part of The Firefly Project.

FIREFLY

1 YEAR IMPACT UPDATE

With £50k unrestricted grants, our first three charity partners invested in:



With our support

213%

Our charity partners increased their internal capacity by 213%



The staff count grew on average from 7 to 19 Full Time Equivalent staff!



THE AVERAGE TURNOVER SOARED FROM £615K TO £1M!



THE BENEFICIARY COUNT GREW BY 30% ON AVERAGE



Resulting in 7635 babies, children and young people accessing transformative interventions to have brighter futures

£1 : £2.23



For every £1 we donated, we connected our charities to an additional £2.23, helping them to attract a further £335,000 on top of our funding!



Financial review

The accounts show that revenue for the Foundation in 2022 was £1.07m, a slight increase over the prior year. Of this £0.75m was generated through our events and £0.32m was raised through our patron's programme. Total funding for the Firefly charity partners was £0.36m of which £0.25m was direct grants with the remaining £0.11m being charity-facing costs. Event costs were £0.49m including £0.25m in staff and support costs. Core costs including governance were £0.20m. Cash and debtors at year end were £0.74m including £0.17m in funds due from The Fayre of St James.

Reserves policy and going concern

The current reserves policy is to hold unrestricted funds at least equivalent to the sum of six months of operating expenses. At the end of 2022, unrestricted funds were £639,887, and free reserves were £550,000, which is more than the amount required by the reserves policy. No restricted funds were held at the end of 2022 as all restricted funds raised during the year had been distributed.

Public benefit

In undertaking the activities of the last twelve months, the trustees have paid due regard to the Charity Commission's guidance on public benefit in deciding what activities should be undertaken. The trustees are confident that the mission of the Foundation meets the requirements for public benefit. Through adherence to the objectives and the activities undertaken in the year the trustees have diligently and purposefully fulfilled their obligations under section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

Funds in deficit

The Trustees may make unrestricted funds available to cover any income shortfall compared to expenditure from restricted funds.

Investment policy

There are no restrictions on the Charity's power to invest. The trustees regularly review the charity's requirements, monitor the economic climate, and revise the investment strategy accordingly. To this end, the trustees have invested surplus funds in bank deposits.

Structure, governance and management

The Quintessentially Foundation is constituted under its Memorandum and Articles dated 10 February 2011 and amended on 13 October 2011, is a registered charity no. 1144584 and registered as a charitable company limited by guarantee no. 07525263. The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements, were:

Mr R Brooks
Mr A G Crawley
Mr P C Crowther
Mr B W Elliot
Mr S G Lee
Miss E R McCarthy

Recruitment and appointment of trustees

The Charity management is the responsibility of the trustees, who are elected under the terms of the Memorandum and Articles. Trustees each hold office for a minimum period of two years. The minimum number of trustees is three. There is no formal policy for the recruitment of trustees. Depending on the needs of the foundation, trustees are recruited by the trustees according to their background and experience based upon the recommendation of the nominations committee.

Induction and training of new trustees

New Trustees are provided with the organisation's constitution, information on achievements and goals of the charity and are trained by the existing trustees on an informal basis.

Decision-making and key management

The trustees delegate the day-to-day management of the charity to a full-time employee whom the Founder trustee and the Chair oversee. This person has delegated authority for operational matters. The board meets at least four times yearly to manage the organisation's affairs. The trustees consider themselves also to be key management.

Key management remuneration

Key personnel are paid dependent on their expertise and involvement in the organisation of events. Key management remuneration is disclosed in note 11 to the financial statements. The trustees did not receive remuneration during the year. D Meredith was the key management until September 2022, when Phoebe Reith became interim CEO.

Related parties

Related party transactions have been disclosed in note 17 of the financial statements. Any potential related party transaction is submitted for approval by the trustees in advance. Declarations of interest are called for at each board of trustees meeting.

Risk management

The Board of trustees consider and approves all policies adopted by the Charity, including aims and objectives, risk assessment, the annual budget and charitable strategies. The charity is exposed to health and safety risks at events organised. To manage this risk, appropriate insurance is obtained for each event. The trustees have assessed the major risks to which the charity is exposed, particularly those related to the operations and finances of the charity and are satisfied that systems and procedures are in place to mitigate their exposure to those major risks.

Mr R Brooks
Chair
Dated:

 : 26th August 2023



QUINTESSENTIALLY FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF QUINTESSENTIALLY FOUNDATION

Opinion

We have audited the financial statements of Quintessentially Foundation (the 'charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Statement of Financial Position and the notes to the financial statements, including a summary of 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 charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 charitable company 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 charitable company'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.

QUINTESENTIALLY FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF QUINTESENTIALLY FOUNDATION

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report incorporating the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, 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 charitable company or to cease operations, or have no realistic alternative but to do so.

QUINTESENTIALLY FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF QUINTESENTIALLY FOUNDATION

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the trustees and other management (as required by auditing standards), and discussed with the trustees and other management, the policies and procedures regarding compliance with laws and regulations;
- We focused on specific laws and regulations which we consider may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, the relevant tax compliance regulations in the UK, the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102) and Charity SORP;
- We considered the nature of the industry, the control environment, business performance and KPI's for a charitable company;
- We communicated identified laws and regulations within the audit team and remained alert to any indications of non-compliance throughout the audit. These include Health and Safety, employment law and adequate insurances, including those required to be taken by 3rd parties;
- We considered and reviewed the procedures and controls that the charitable company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those procedures and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

QUINTESENTIALLY FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF QUINTESENTIALLY FOUNDATION

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Cummins FCCA (Senior Statutory Auditor)

**for and on behalf of TC Group
Statutory Auditors**

Office: Steyning, West Sussex

Dated: 24 August 2023

QUINTESSENTIALLY FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Income from:					
Donations and legacies	3	326,908	-	326,908	342,825
Other trading activities	4	-	746,797	746,797	716,780
Total income		326,908	746,797	1,073,705	1,059,605
Expenditure on:					
Raising funds	5	107,292	386,075	493,367	317,518
Charitable activities	6	-	360,722	360,722	322,072
Total resources expended		107,292	746,797	854,089	639,590
Net incoming/(outgoing) resources before transfers		219,616	-	219,616	420,015
Gross transfers between funds		-	-	-	-
Net movement in funds		219,616	-	219,616	420,015
Reconciliation of funds					
Fund balances at 1 January 2022		420,271	-	420,271	256
Fund balances at 31 December 2022		639,887	-	639,887	420,271

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

QUINTESSENTIALLY FOUNDATION

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	12		553		1,105
Current assets					
Debtors	13	172,462		15,717	
Cash at bank and in hand		572,496		568,492	
		<u>744,958</u>		<u>584,209</u>	
Creditors: amounts falling due within one year	14	(105,624)		(165,043)	
Net current assets			639,334		419,166
Total assets less current liabilities			<u>639,887</u>		<u>420,271</u>
Income funds					
Unrestricted funds			639,887		420,271
			<u>639,887</u>		<u>420,271</u>

The financial statements were approved by the Trustees on 24 August 2023.



Mr R Brooks
Trustee

Company Registration No. 07525263

QUINTESSENTIALLY FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) Operations	18		4,004		396,974
Investing activities					
Purchase of tangible fixed assets		-		(1,657)	
Net cash used in investing activities			-		(1,657)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			4,004		395,317
Cash and cash equivalents at beginning of year			568,492		173,175
Cash and cash equivalents at end of year			572,496		568,492

QUINTESENTIALLY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

Quintessentially Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is 29 Portland Place, London, W1B 1QB.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

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 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1 Accounting policies

(Continued)

1.5 Resources expended

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

Expenditure on raising funds includes the costs of all fundraising activities, events and non-charitable trading activities.

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

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

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.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation 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:

Computers

3 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1 Accounting policies

(Continued)

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors 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. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

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.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1 Accounting policies

(Continued)

1.12 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure) for the period.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The key assumptions and other sources of estimation uncertainty that have significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are as follows:

The annual depreciation charge is considered with reference to the estimated useful economic lives and residual value of the assets. The useful economic lives and residual values are re-assessed annually.

There were no other key sources of estimation uncertainty or judgements.

QUINTESSENTIALLY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2022	2022	2022	2021
	£	£	£	£
Donations and gifts	326,908	-	326,908	293,370
Donated goods and services	-	-	-	27,160
Gift aid	-	-	-	22,295
	<u>326,908</u>	<u>-</u>	<u>326,908</u>	<u>342,825</u>

4 Other trading activities

	Unrestricted funds	Restricted funds	Total	Total
	2022	2022	2022	2021
	£	£	£	£
Fundraising events	-	746,797	746,797	716,780
	<u>-</u>	<u>746,797</u>	<u>746,797</u>	<u>716,780</u>

QUINTESSENTIALLY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

5 Raising funds

	Unrestricted funds	Restricted funds	Total	Total
	2022	2022	2022	2021
	£	£	£	£
<u>Trading costs</u>				
Other trading activities	8,545	239,160	247,705	176,854
Staff costs	55,200	146,915	202,115	100,534
Support costs (note 8)	43,547	-	43,547	40,130
Trading costs	107,292	386,075	493,367	317,518

6 Charitable activities

	Fundraising activities	Total	Fundraising activities	Total
	2022	2022	2021	2021
	£	£	£	£
Grant funding of activities (see note 7)	250,000	250,000	290,980	290,980
Share of governance costs (see note 8)	110,722	110,722	31,092	31,092
	360,722	360,722	322,072	322,072
Analysis by fund				
Unrestricted funds	-	-	20,955	20,955
Restricted funds	360,722	360,722	301,117	301,117
	360,722	360,722	322,072	322,072

QUINTESSENTIALLY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

7 Grants payable

	Fundraising activities 2022	Fundraising activities 2021
	£	£
Grants to institutions:		
Grief Encounter	-	81,872
Ruth Strauss Foundation	-	81,872
The Felix Project	-	6,540
The Childhood Trust	-	114,911
Other	-	5,785
Little Village	50,000	-
The Kids Network	50,000	-
20/20 Change	50,000	-
Doorstep Library	50,000	-
Team Up	50,000	-
	250,000	290,980

8 Support costs

	Support costs £	Governance costs £	2022 £	2021 £
Depreciation	552	-	552	552
Donated equipment and office space	-	-	-	27,160
Bank charges	1,620	-	1,620	1,735
Insurance	-	-	-	1,340
Telephone	2,401	-	2,401	229
Postage and stationery	335	-	335	134
Sundries	599	-	599	416
Travel and subsistence	14,039	-	14,039	43
Marketing and HR	1,308	-	1,308	2,500
Just giving fees	-	-	-	604
Computer costs	8,150	-	8,150	5,417
Subscriptions	1,618	-	1,618	-
Consultancy	12,925	-	12,925	-
Audit and accountancy fees	-	27,230	27,230	5,500
Legal and professional	-	83,492	83,492	25,592
	43,547	110,722	154,269	71,222
Analysed between:				
Trading	43,547	-	43,547	40,130
Charitable activities	-	110,722	110,722	31,092
	43,547	110,722	154,269	71,222

QUINTESSENTIALLY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

9	Net movement in funds	2022	2021
		£	£
	Net movement in funds is stated after charging/(crediting)		
	Fees payable to the company's auditor for the audit of the company's financial statements	7,500	5,500
	Depreciation of owned tangible fixed assets	552	552

10 Trustees remuneration and benefits

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

Trustees expenses

During the year the charity did not reimburse any of the trustees for costs (2021: nil).

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2022	2021
	Number	Number
Events staff	2	1
Management	1	1
Depreciation of owned tangible fixed assets	3	2

Employment costs

	2022	2021
	£	£
Wages and salaries	178,180	91,905
Social security costs	14,106	5,338
Other pension costs	9,829	3,291
	202,115	100,534

Total remuneration of key management personnel during the year was £123,413 (2021: £89,400) and employers pensions £8,385 (2021: £3,453). Pension contributions were paid to 3 (2021: 2) staff under a defined contribution scheme. There were £2,787 (2021 : £4,937) of accrued pension costs at the balance sheet date.

Staff earning in excess of £60,000 per annum was 1 in the band £80,000 - £89,999 (2021: Nil).

QUINTESSENTIALLY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

12	Tangible fixed assets		Computer Equipment £
	Cost		
	At 1 January 2022		<u>1,657</u>
	At 31 December 2022		<u>1,657</u>
	Depreciation		
	At 1 January 2022		552
	Depreciation charged in the year		<u>552</u>
	At 31 December 2022		<u>1,104</u>
	Carrying amount		
	At 31 December 2021		<u>1,105</u>
	At 31 December 2022		<u>553</u>
13	Debtors	2022 £	2021 £
	Amounts falling due within one year:		
	Prepayments and accrued income	<u>172,462</u>	<u>15,717</u>
		<u>172,462</u>	<u>15,717</u>
14	Creditors: amounts falling due within one year	2022 £	2021 £
	Trade creditors	30,483	5,008
	Other creditors	14,222	129,734
	Accruals and deferred income	<u>60,919</u>	<u>30,301</u>
		<u>105,624</u>	<u>165,043</u>

Included in accrued expenses and deferred income is £21,600 (2021: £21,600) of income received in relation to events delayed due to government restrictions as a result of Covid-19.

QUINTESENTIALLY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 Jan 2022	Incoming resources	Resources expended	Transfers	Balance at 31 Dec 2022
	£	£	£	£	£
Firefly project	-	746,797	(746,797)	-	-
	-	746,797	(746,797)	-	-

Restricted funds are generated from 2 events held each year – the Fayre of St James and the Bike Ride. The net funds generated from these two events goes towards the Firefly project. Fundraising event costs are included in note 5. The payments of grants to the Firefly project charities are included in note 7.

Unrestricted funds are raised through general donations and then allocated to charities as approved by the trustees.

Unrestricted funds include monies held back from events to cover staff and support costs.

16 Analysis of net assets between funds

	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £	Total 2021 £
Fund balances at 31 December 2022 are represented by:				
Fixed assets	553	-	553	1,105
Current assets	744,958	-	744,958	584,209
Current assets/(liabilities)	(105,624)	-	(105,624)	(165,043)
	639,887	-	639,887	420,271

QUINTESSENTIALLY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

17 Related party transactions

Quintessentially (UK) Limited have provided facilities for rent and hire of equipment in the year of £27,160 (2021: £27,160), at no charge. Mr B W Elliot is a director and shareholder of Quintessentially (UK) Limited and Mr R Brooks is a shareholder through a family entity.

During the year the charity received donations of £111,750 (2021: £82,460) from the Trustees.

18	Cash generated from operations	2022 £	2021 £
	Surplus/(deficit) for the year	219,616	420,015
	<u>Adjustments for:</u>		
	Depreciation and impairment of tangible fixed assets	552	552
	<u>Movements in working capital:</u>		
	Decrease/(increase) in debtors	(156,745)	173,561
	(Decrease)/increase in creditors	(59,419)	(197,154)
	Cash generated from/(absorbed by) operations	<u>4,004</u>	<u>396,974</u>

19 Analysis of changes in net funds

The charity had no debt during the year.