

FASHION AWARENESS DIRECT
(A company limited by guarantee)

**DIRECTORS' AND TRUSTEES' REPORT
AND ACCOUNTS**

FOR THE YEAR ENDED 31ST MARCH 2018



Company No: 03477854
Charity No: 1112095

FASHION AWARENESS DIRECT
(A company limited by guarantee)

REPORT AND ACCOUNTS

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FASHION AWARENESS DIRECT
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DIRECTORS' AND TRUSTEES' REPORT

FOR THE YEAR ENDED 31ST MARCH 2018

The trustees are pleased to present their annual directors' report together with the financial statements of the charity for the year ended 31st March 2018, which are also prepared to meet the requirements for a directors' report and Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statements 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 2017).

OUR PURPOSE AND ACTIVITIES

FAD's objective is:

"The advancement of education in fashion design and related subjects in general and in particular by providing an annual competition as a means of promoting achievement and encouraging interest in the subject."

Achievements and Performance

FAD Fashion Futures:

- 20 young people attended the 2017 FAD Fashion Futures summer school and were the youngest designers to ever showcase at London Fashion Week in September 2017. They came from 17 schools and colleges in 13 boroughs of London and were reported in 9 local and national press.
- The "Road to London Fashion Week" social media campaign was launched 20 days before the show with a daily Instagram post featuring a blog post on each of the 20 designers. A very niche campaign which was well received by the media and fashionistas.
- In January 2108 we launched our 14th Fashion Futures edition. 77 16 – 19 year olds took part in this year's Fashion Futures, developing fashion skills from research, design and technical drawing to pattern cutting and garment construction.
 - They came from 26 different schools and colleges in 17 different boroughs, bridging communities by bringing together young people who would never otherwise have met to build their confidence, resilience and self-esteem together.
 - They were supported by 56 professional volunteers who generously gave 700 hours of volunteering time – this is a record number of volunteers participating in a project!
- We are proud of our new supporters on this project: ASOS. Besides contributing with financial help, they have also provided a long list of volunteers. Special thanks to Vanessa and Mark for making this happen.
- Natwest continues her support, this time with sponsorship and volunteering support. Specially grateful to Mahji and Oliver!

"FAD is an amazing charity; they don't just finish with this course, they continue working with students long-term, and support them in getting jobs and interacting with people within the industry."

"When I first started working I noticed there was a real lack of practical skills. There would be thousands of young designers trying to get jobs but a real shortage of people with technical skills. FAD gives these skills to the young people. FAD also gives young people a space to be creative, and to work on whatever they want"

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DIRECTORS' AND TRUSTEES' REPORT (Cont'd)

FOR THE YEAR ENDED 31ST MARCH 2018

FAD INTOFashion

- From April to September we developed the INTOFashion Campaign for in-work progression in the fashion retail industry, championing the London Living Wage. We produced a short film exploring the economic and social benefits of career progression from shop floor to head office for individuals and organisations. The film showed testimonies from young people who've benefitted from taking part in FAD INTOFashion, and from fashion industry insiders who champion change.
- A PR and social media campaign was launched in September 2017 with hashtags which included #payfair #recognisetalent #INTOFashion
- In October 2017 Trust for London gave us continuation funding for another 3 years. A new intake of 30 young people were recruited and up to 20 of them were paired with mentors. Success stories have been covered in the FAD Stories on the FAD website. Monthly masterclasses have taken place.

'INTOFashion has been a great programme to be a part of,' she says. 'It has helped me a lot in connecting with other graduates and realising that there are other fashion graduates who are in the same boat as me. The masterclasses are also a great way of connecting and learning from other professionals,' she adds. 'In a way, it's like being part of a positive community who want to help you find your path.'

FAD Alumni

- We rely on the support of our alumni who come back to volunteer and give back to the community.
- We are proud of our FAD Creative Core, a group of FAD Alumni who are part of the extended FAD team and regularly meet at FAD to give us ideas and advice to remain fresh, relevant and youth driven.

FAD Volunteering

- FAD is all about real fashion industry experiences and real fashion industry skills, as well as providing the personal support that young people need to fulfil their potential. Our amazing volunteers make our projects happen, creating a supportive atmosphere and authentic, relevant, content. Our volunteers enable young people to widen their horizons, achieve their goals and build a future in the fashion industry.
- The volunteers are kind, they're willing to help me and I find it easy to learn from them. The things that I thought were complicated, they break it down for me and make it seem so simple.'

"The volunteers are professional but also really friendly. They'll help you out if you do something wrong. I've messed up quite a few times but they've been really nice to me! They're helping me learn from experience.'

FAD Social Media

- Instagram has been the main channel of communicating our projects and success stories; engagement is constantly increasing.
- Other Social media channels include twitter and facebook.

Our volunteers

189 Industry volunteers - designers, buyers, garment technologists, pattern cutter, machinists and models - supported the young people teaching at workshops, mentoring and modelling in catwalks with 1,707 volunteering hours. This is a huge amount of in kind support and we are very grateful to all those volunteers.

Public benefit statement

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PD2). The achievements and activities above demonstrate the public benefit arising through the Charity's activities.

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DIRECTORS' AND TRUSTEES' REPORT (Cont'd)

FOR THE YEAR ENDED 31ST MARCH 2018

FINANCIAL REVIEW

The Statement of Financial Activities showed net expenditure of £9,256 (2017 - deficit £11,851) for the year and reserves stand at £72,546 (2017 - £81,802). The financial position at the year revealed by the Balance Sheet on page 9 shows net current assets or working capital of £67,503 (2017 - £76,808). The net book value of fixed assets held, all of which are used directly for charitable purposes, amounted to £5,043 (2017 - £4,994).

Principal funding sources

The charity aims to develop a diverse funding base for its activities. Fashion Awareness Direct continues to attract funding for its various projects from a wide range of sources – Lottery funding, charitable trusts, corporations, individual donations and the charity's own income generating activities.

Investment powers and policy

The Memorandum and Articles of Association authorises the Trustees to expend the funds of the Charity in such manner as they shall consider most beneficial for the achievement of the objects and to invest in the name of the Charity such part of the funds as they may see fit and to direct the sale or transposition of any such investments and to expend the proceeds of any such sale in furtherance of the objects of the charity.

Reserves policy

The Trustees consider it prudent to maintain an adequate level of unrestricted reserves and have set this at the minimum level of three months expenditure. As at the year end accounts showed reserves of £72,546 (2017 - £81,802), of which £3,865 (2017 - £22,831) was restricted. The unrestricted funds not designated or invested in tangible fixed assets held by the charity are £65,503 (2017 - £56,308).

FUTURE PLANS AND DEVELOPMENTS

- Fashion Futures – to continue developing this project and to maximize the diversity of our young people to campaign for more inclusivity and diversity in the fashion industry
- To develop more partnerships with corporate responsibility departments
- To make better use of resources we have created and to disseminate them in a wider context
- INTOFashion Programme – to work with a core group of mentors to identify gaps in current training
- Apprenticeships – to become a training provider
- To support the FAD Creative Core group in activities they want to set up
- To use our projects to support young people who may be suffering of mental health issues
- To continue disseminating our young beneficiaries success stories

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Fashion Awareness Direct is registered under the Companies Act 1985 as a company limited by guarantee and not having a capital divided by shares.

The company was incorporated in December 1997 and is a registered charity constituted as a limited company under the Memorandum and Articles of Association. The charity registration number is 1112095 and the company registration number is 03477854.

Recruitment and appointment of Trustees

As set out in the Articles of Association the Chair of the Trustees is nominated by Fashion Awareness Direct and one-third of the Directors must stand down at the AGM, subject to retirement by rotation or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office. The Directors of the organisation are also the charity trustees for the purposes of charity law.

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DIRECTORS' AND TRUSTEES' REPORT (Cont'd)

FOR THE YEAR ENDED 31ST MARCH 2018

The Board of Trustees have power to appoint additional Trustees as it considers fit to do so.

The Trustees in office in the year are set out on page 5. The Trustees have no beneficial interest in the company other than as members. The Trustees are also the directors of the company. All of the Trustees are members of the company and guarantee to contribute £1 in event of winding up. The Board has the power to appoint additional Directors.

Trustee induction and training

The Trustees maintain a good working knowledge of charity and company law and best practise by attendance at charity and company courses run by outside providers. New Trustees are given copies of the Memorandum and Articles of Association.

Organisation

The company is organised so that the Trustees meet regularly to manage its affairs. The Trustees are members from a variety of backgrounds with relevant professional experience.

The daily operations are the responsibility of the Executive Director who reports formally on a monthly basis to the Trustees. There are separate committees for Finance, Personnel and Fundraising and these meet as and when required.

Related parties

The charity does not have relationships with related parties and other charities and organisations with which it co-operates in pursuit of its charitable objectives.

Risk Management

The trustees have a risk management strategy which comprises:

- An annual review of the risks the charity may face;
- The establishment of systems and procedures to mitigate those risks identified in the plan;
- Implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

REFERENCE AND ADMINISTRATIVE DETAILS

Company Number: 03477854

Charity Number: 1112095

Directors

Nicola Bailey – Chair – Appointed 11/12/2017

Asun Gaytan de Ayala – Chair – Resigned 18/10/2017

Eileen Cole – Resigned 22/05/2018.

Jane Kellock

Julian Mowbray

Philip Luu

Carole Robb

Rosy Crehan – Appointed 30/11/2017

Secretary: Maria Alvarez de Toledo

Senior Management Personal: Maria Alvarez de Toledo – Chief Executive Officer

Registered Office: 10A Wellesley Terrace, London N1 7NA

FASHION AWARENESS DIRECT
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DIRECTORS' AND TRUSTEES' REPORT (Cont/d)
FOR THE YEAR ENDED 31ST MARCH 2018

Independent Examiner: David Terry FCA,
Ramon Lee Ltd, Eagle House, 167 City Road, London EC1V 1AW

Bankers: Lloyds Bank Plc, Knightsbridge, 79 Brompton Road, London SW3

Trustees' responsibilities in relation to the financial statement

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

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure for that period.

In preparing these financial statements, the Trustees are required to:

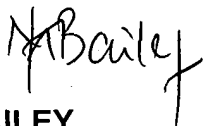
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures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

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

APPROVED BY THE TRUSTEES AND SIGNED ON THEIR BEHALF BY:



NICOLA BAILEY
CHAIR

16TH OCTOBER 2018

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF

FASHION AWARENESS DIRECT

(A company limited by guarantee)

This is a report to the Trustees of Fashion Awareness Direct on the accounts for the year ended 31 March 2018 which are set on pages 8 to 16.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

The charity's trustees consider that an audit is not required for this year under Part 16 of the 2006 Act and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention

Basis of independent examiner's report

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no material matters have come to my attention gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

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.



DAVID TERRY FCA
RAMON LEE LTD
CHARTERED ACCOUNTANT

16TH OCTOBER 2018

EAGLE HOUSE
167 CITY ROAD
LONDON EC1V 1AW

FASHION AWARENESS DIRECT
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STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST MARCH 2018

SUMMARY INCOME AND EXPENDITURE ACCOUNT

| | <u>Notes</u> | Unrestricted Funds £ | Restricted Funds £ | Total 2018 £ | Total 2017 £ |
|---|--------------|----------------------------|--------------------------|--------------------|--------------------|
| Income | | | | | |
| Donations | 2 | 32,073 | 10,000 | 42,073 | 33,518 |
| Income from charitable activities | 3 | 100,781 | 37,500 | 138,281 | 103,750 |
| Investment income | | 133 | - | 133 | 219 |
| Total income | | <u>132,987</u> | <u>47,500</u> | <u>180,487</u> | <u>137,487</u> |
| Expenditure | | | | | |
| Cost of raising funds | 4 | 4,921 | - | 4,921 | 4,229 |
| Charitable activities | 4 | 118,356 | 66,466 | 184,822 | 145,109 |
| Total expenditure | | <u>123,277</u> | <u>66,466</u> | <u>189,743</u> | <u>149,338</u> |
| Net income/(expenditure) and net movement in funds for the year | | 9,710 | (18,966) | (9,256) | (11,851) |
| <i>Reconciliation of funds</i> | | | | | |
| Total funds, brought forward | | 58,971 | 22,831 | 81,802 | 93,653 |
| Total funds, carried forward | | <u>68,681</u> | <u>3,865</u> | <u>72,546</u> | <u>81,802</u> |

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the above two financial periods.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the above movement in funds for the above two financial periods.

The notes on pages 10 to 16 form part of these accounts.

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BALANCE SHEET AS AT 31ST MARCH 2018

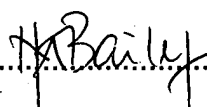
| | Notes | 2018 | 2017 |
|---------------------------------------|-------|---------------|---------------|
| | | £ | £ |
| Fixed assets | | | |
| Tangible assets | 9 | 5,043 | 4,994 |
| Current Assets | | | |
| Debtors | 10 | 17,700 | 34,931 |
| Cash at bank and in hand | | 58,978 | 48,138 |
| | | <u>76,678</u> | <u>83,069</u> |
| Liabilities | | | |
| Creditors falling due within one year | 11 | (9,175) | (6,261) |
| Net Current Assets | | 67,503 | 76,808 |
| Net assets | | <u>72,546</u> | <u>81,802</u> |
| The funds of the charity: | | | |
| Unrestricted funds | 12 | 68,681 | 58,971 |
| Restricted funds | 12 | 3,865 | 22,831 |
| Total charity funds | | <u>72,546</u> | <u>81,802</u> |

For the financial year ended 31st March 2018 the company was entitled to exemption from audit under section 477 Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The directors acknowledged their responsibilities for ensuring that the company keeps accounting records which comply with Section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of Section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as is applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

These financial statements were approved by the Board of Directors and Trustees on 16th October 2018 and were signed on its behalf by:

.....  **NICOLA BAILEY (CHAIR)**

Company Number: 03477854

The notes on pages 10 to 16 form part of these accounts.

FASHION AWARENESS DIRECT
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NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2018

1. ACCOUNTING POLICIES

1.1 Basis of preparation of accounts

The financial statements have been prepared in accordance with 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 2015) – (Charity SORP (FRS 102) as amended by Bulletin 1), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Fashion Awareness Direct meets the definition of a public benefit entity under 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 £.

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

1.2 Preparation of accounts on a going concern basis

The charity's Financial Statements show free reserves of £65,503 as at the year end. The trustees are of the view that these results and fundraising plans for the future have secured the immediate future of the charity for the next 12 months and on this basis the charity is a going concern.

1.3 Income recognition

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and amount can be measured reliably.

- (a) Income received by donations is included in full in the Statement of Financial Activities when received, unless they relate to a specified future period, in which case they are deferred.
- (b) Income from charitable activities received by way of revenue grants and donations are credited to restricted incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred.
- (c) Grants and donations of general nature which are not conditional on delivering certain levels of service are included as part of Donations as shown under note 2. Performance related grants and donations which have conditions for a specific outcome are included as Income from Charitable Activities as shown in Note 3.
- (d) Income from charitable activities include income recognised as earned (as the related goods and services are provided) under contract.
- (e) Investment income is recognised on a receivable basis.

1.4 Volunteers and donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity 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 of the charity is not recognised in the main body of the financial accounts but detail is contained in the Trustees report.

On receipt, donated professional services, donated facilities and goods are recognised on the basis of the value of the gift to the charity which is the amount the charity 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.

FASHION AWARENESS DIRECT
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NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MARCH 2018

1.5 Expenditure recognition and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- (a) Cost of raising funds comprises costs of seeking donations and grants and their associated support costs.
- (b) Expenditure on charitable activities includes the costs directly associated with running fashion educational programmes, to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.6 Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The basis on which support costs have been allocated are set out in note 5.

1.7 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

1.8 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Individual fixed assets costing £1,000 or more are capitalised at cost.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases.

| | |
|----------------------------------|-------------------------|
| Fixtures, fittings and equipment | - 25% on net book value |
| Motor vehicle | - 20% on net book value |

1.9 Debtors

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

1.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term cash deposits.

1.11 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

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NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2018

1.12 Financial instruments

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

1.13 Taxation

The charity is a registered charity and, therefore, is not liable for Income Tax or Corporation Tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

1.14 Judgement and key sources of estimation uncertainty

In the application of the company's accounting policies, the charity is required to make judgments, 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.

1.15 Pension

The charity operates a defined contribution pension scheme on behalf of its employees. Contributions are charged to the Statement of Financial Activities in the period in which they are payable. The assets of the scheme are held separately from those of the charity in an independently administered fund.

1.16 Cash flow statement

The charitable company qualifies as a small company and advantage has been taken of the exemption provided by SORP (FRS 102) as amended by Bulletin 1, not to prepare a cash flow statement.

2. DONATIONS

| | Unrestricted Funds | Restricted Funds | Total 2018 | Total 2017 |
|------------------------------|-------------------------------|-----------------------------|-----------------------|-----------------------|
| | £ | £ | £ | £ |
| The Clothworkers' Foundation | - | 10,000 | 10,000 | - |
| Nottingham Trent University | 1,200 | - | 1,200 | - |
| Other donations | 12,873 | - | 12,873 | 15,518 |
| Donations in kind | 18,000 | - | 18,000 | 18,000 |
| | <u>32,073</u> | <u>10,000</u> | <u>42,073</u> | <u>33,518</u> |

Donation income in 2017 totalling £33,518 was attributed to all to unrestricted funds.

The charity is indebted to DHEF for the provision of office space. The value placed on this donation in kind by the Trustees is £18,000 (2017 - £18,000). The income equivalents are recognised within income as donations, and corresponding charges included within expenditure as premises costs.

FASHION AWARENESS DIRECT
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NOTES TO THE ACCOUNTS (Cont'd)

FOR THE YEAR ENDED 31ST MARCH 2018

3. INCOME FROM CHARITABLE ACTIVITIES

| | Unrestricted Funds £ | Restricted Funds £ | Total 2018 £ | Total 2017 £ |
|---|----------------------------|--------------------------|--------------------|--------------------|
| Education in fashion design: | | | | |
| <i>Grants:</i> | | | | |
| Big Lottery Fund | - | 10,000 | 10,000 | 10,000 |
| Erasmus+ - EU Funding | - | - | - | 15,225 |
| Skills & Opportunities Fund: NatWest Bank Plc | - | - | - | 35,000 |
| Trust for London | - | 27,500 | 27,500 | 25,000 |
| University College London | - | - | - | 1,000 |
| <i>Sponsorships:</i> | | | | |
| ASOS | 10,000 | - | 10,000 | - |
| George at Asda | 5,000 | - | 5,000 | 10,000 |
| Royal Bank of Scotland / NatWest | 25,000 | - | 25,000 | - |
| Programme income | 4,321 | - | 4,321 | 7,525 |
| Donations in kind | 56,460 | - | 56,460 | - |
| | <u>100,781</u> | <u>37,500</u> | <u>138,281</u> | <u>103,750</u> |

Income from charitable activities in 2017 totalling £103,750 was attributed to unrestricted funds of £17,525 and restricted funds of £86,225.

The charity is indebted to several individuals who provide pro bono services in the form of teaching, modelling, mentoring and project co-ordinating services. The value placed on this donation in kind by the Trustees is £56,460. The income equivalents are recognised within income from charitable activities, and corresponding charges included within expenditure as direct project costs.

4. ANALYSIS OF EXPENDITURE

| | Raising funds £ | Education in fashion design £ | 2018 £ | 2017 £ |
|---------------------------|-----------------------|--|----------------|----------------|
| Staff costs | 2,996 | 60,564 | 63,560 | 63,733 |
| Direct project costs | - | 82,717 | 82,717 | 52,128 |
| Motor expenses | - | 4,592 | 4,592 | 883 |
| Premises costs | - | 8,682 | 8,682 | 6,553 |
| Fundraising costs | 121 | - | 121 | - |
| Support costs (Note 6) | 1,678 | 26,294 | 27,972 | 23,956 |
| Governance costs (Note 6) | 126 | 1,973 | 2,099 | 2,085 |
| | <u>4,921</u> | <u>184,822</u> | <u>189,743</u> | <u>149,338</u> |

Of the £189,743 expenditure in 2018 (2017 - £149,338), £123,277 was charged to unrestricted funds (2017 - £26,507) and £66,466 to restricted funds (2017 - £122,831).

FASHION AWARENESS DIRECT
(A company limited by guarantee)

NOTES TO THE ACCOUNTS (Cont'd)

FOR THE YEAR ENDED 31ST MARCH 2018

5. ANALYSIS OF SUPPORT AND GOVERNANCE COSTS

The charity initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Governance costs and other support costs are apportioned separately between charity's key activity undertaken (see note 4) in the year. All the general support and governance costs have been apportioned to the various charitable activities on the basis of staff time allocated to each activity.

| | Support costs | Governance costs | 2018 | 2017 |
|----------------------------|----------------------|-------------------------|---------------|---------------|
| | £ | £ | £ | £ |
| Staff costs | 4,494 | 599 | 5,093 | 4,976 |
| Premises costs | 16,122 | - | 16,122 | 12,170 |
| Communication costs | 5,067 | - | 5,067 | 5,094 |
| Depreciation | 1,525 | - | 1,525 | 1,470 |
| Other costs | 764 | - | 764 | 831 |
| Independent Examiner's fee | - | 1,500 | 1,500 | 1,500 |
| | <u>27,972</u> | <u>2,099</u> | <u>30,071</u> | <u>26,041</u> |

6. NET INCOME/(EXPENDITURE) FOR THE YEAR

This is stated after charging:

| | 2018 | 2017 |
|-------------------------|--------------|--------------|
| | £ | £ |
| Independent Examination | 1,500 | 1,500 |
| Depreciation | <u>1,525</u> | <u>1,470</u> |

7. ANALYSIS OF STAFF COSTS, TRUSTEES REMUNERATION AND EXPENSES, AND COST OF KEY MANAGEMENT PERSONNEL

STAFF COSTS

| | 2018 | 2017 |
|-----------------------|---------------|---------------|
| | £ | £ |
| Salaries | 64,639 | 65,489 |
| National Insurance | 3,029 | 2,595 |
| Pension contributions | 985 | 625 |
| | <u>68,653</u> | <u>68,709</u> |

No employee had employee benefits in excess of £60,000 (2017 - £nil).

No Trustee received any remuneration during the year (2017 - £nil). No Trustees received reimbursed expenses during the year (2017 - £nil).

The key management personnel of the charity comprise the Chief Executive Officer. The total employee benefits of the key management personnel of the charity were £29,960 (2017 - £29,270).

8. STAFF NUMBERS

The average number of full-time equivalent employees was as follows:

| | | |
|------------------------|-----|-----|
| Direct charitable work | 3.0 | 3.0 |
|------------------------|-----|-----|

The average monthly number of persons employed by the charity during the year was 3 (2017 - 3).

FASHION AWARENESS DIRECT
(A company limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)

FOR THE YEAR ENDED 31ST MARCH 2018

9. TANGIBLE FIXED ASSETS

| | 2018 £ | 2017 £ |
|----------------------------------|--------------|--------------|
| NET BOOK VALUES | | |
| Fixtures, fittings and equipment | 3,178 | 2,663 |
| Motor vehicle | 1,865 | 2,331 |
| | <u>5,043</u> | <u>4,994</u> |

MOVEMENTS IN YEAR

| <u>Cost or valuation</u> | Opening Balances £ | Additions £ | Disposals £ | Closing Balances £ |
|----------------------------------|--------------------------|----------------|----------------|--------------------------|
| Fixtures, fittings and equipment | 20,971 | 1,574 | (5,242) | 17,303 |
| Motor vehicle | 18,120 | - | - | 18,120 |
| | <u>39,091</u> | <u>1,574</u> | <u>(5,242)</u> | <u>35,423</u> |

| <u>Depreciation</u> | Opening Balances £ | Charge For Year £ | Disposals £ | Closing Balances £ |
|----------------------------------|--------------------------|-------------------------|----------------|--------------------------|
| Fixtures, fittings and equipment | 18,308 | 1,059 | (5,242) | 14,125 |
| Motor vehicle | 15,789 | 466 | - | 16,255 |
| | <u>34,097</u> | <u>1,525</u> | <u>(5,242)</u> | <u>30,380</u> |

10. DEBTORS

| | Total 2018 £ | Total 2017 £ |
|---------------|--------------------|--------------------|
| Trade debtors | 16,360 | 33,490 |
| Prepayments | 1,340 | 1,441 |
| | <u>17,700</u> | <u>34,931</u> |

11. CREDITORS: amounts falling due within one year

| | Total 2018 £ | Total 2017 £ |
|------------------------------|--------------------|--------------------|
| Trade creditors | 4,139 | 869 |
| Taxation and social security | 3,536 | 3,790 |
| Other creditors | - | 102 |
| Accruals | 1,500 | 1,500 |
| | <u>9,175</u> | <u>6,261</u> |

FASHION AWARENESS DIRECT
(A company limited by guarantee)

NOTES TO THE ACCOUNTS (Cont/d)
FOR THE YEAR ENDED 31ST MARCH 2018

12. MOVEMENT IN FUNDS

| | Balance as at 01.04.17 £ | Income £ | Expenditure £ | Balance as at 31.03.18 £ |
|---|--------------------------------|----------------|------------------|--------------------------------|
| Restricted funds: | | | | |
| Big Lottery Fund | - | 10,000 | 8,000 | 2,000 |
| The Clothworkers' Foundation | - | 10,000 | 10,000 | - |
| Heritage Lottery Fund | 3,000 | - | 3,000 | - |
| Skills & Opportunities Fund: NatWest Bank Plc | 17,500 | - | 17,500 | - |
| Trust for London | - | 27,500 | 27,500 | - |
| Fomento de Fundaciones | 2,331 | - | 466 | 1,865 |
| | <u>22,831</u> | <u>47,500</u> | <u>66,466</u> | <u>3,865</u> |
| General funds: | 58,971 | 132,987 | 123,277 | 68,681 |
| Total funds | <u>81,802</u> | <u>180,487</u> | <u>189,743</u> | <u>72,546</u> |

Description, nature and purpose of restricted funds:

- **Big Lottery Fund** – Funding towards FAD Creative Drop-In Centre
- **The Clothworkers' Foundation** – Funding towards premises refurbishment and IT costs.
- **Heritage Lottery Fund** – Funding towards **Black Icons project**.
- **Skills & Opportunities Fund: NatWest Bank** – Funding towards Fashion Futures Programme.
- **Trust for London** – INTOFashion project staff wages.
- **Fomento de Fundaciones** – Represents a car donated to the charity with restrictions. The balance carried forward represents the un-depreciated cost.

Description, nature and purpose of unrestricted funds:

General funds: General fund represents funds available to spend at the discretion of the Trustees.

13. ANALYSIS OF FUND BALANCES BETWEEN NET ASSETS

| | Unrestricted Funds £ | Restricted Funds £ | Total 2018 £ | Total 2017 £ |
|-----------------------|----------------------------|--------------------------|--------------------|--------------------|
| Tangible fixed assets | 3,178 | 1,865 | 5,043 | 4,994 |
| Net current assets | 65,503 | 2,000 | 67,503 | 76,808 |
| | <u>68,681</u> | <u>3,865</u> | <u>72,546</u> | <u>81,802</u> |

3. PENSION COSTS

The pension cost charge represents contributions payable by the charity to the fund and amounted to £985 (2017 - £625). There were no unpaid contributions at the year end or previous year. Contributions totalling £102 (2017 - £60) were payable to the fund at the year end and are included in creditors.

14. SHARE CAPITAL

The company is limited by guarantee and does not have a share capital divided by shares.