

Charity number: 1147729  
Company number: 07616783  
(England and Wales)

**Fashion Arts Foundation**  
**Report of the Trustees and Unaudited Financial Statements**  
**For the year ended 30 April 2017**



**Fashion Arts Foundation  
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For the year ended 30 April 2017**

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**Fashion Arts Foundation  
Report of the Trustees  
For the year ended 30 April 2017**

The Trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements for the charitable company for the year ended 30 April 2017. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) (effective 1 January 2015).

## **OBJECTIVES AND ACTIVITIES**

### **Objectives and aims**

The objects of the FAF are:

- To advance for the benefit of the public; education in the arts and in particular, but not limited to, the art of fashion design; and
- To advance for the benefit of the public; the knowledge, understanding and appreciation of the arts and in particular, but not limited to, the art of fashion design.

The directors have paid due regard to the Charity Commission's general guidance on public benefit when reviewing the objects and on-going strategy of FAF. In particular, the directors have considered how activities planned by the directors will contribute to the objects of FAF and the use of its resources are for the public benefit.

The trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

## **ACHIEVEMENTS AND PERFORMANCE**

### **Significant activities**

Following a scoping of activity in 2015/16, in this financial year, the Fashion Arts Foundation embarked on a partnership with the Royal Academy Schools as a like-minded organisation that is committed to encouraging and nurturing talent. With a new commissioning project, funded by the charity, fashion designers and visual artists were curated to collaborate across art forms. The project was named Fashion Art Commissions.

The commissions produced artworks that formed part of an auction at Christie's. Any monies raised from the auction will go back into the charity to help fund future work.

The inaugural Fashion Art Commissions formed four pairs were: Agi & Sam and Joe Frazer, Alex Mullins and Amy Petra Woodward, Diego Vanassibara and Victoria Adam, Kit Neale and Jonathan Trayte

Although limited monies were raised through the initial auction, the pieces will continue to be show and opportunities for sale created in partnership with the designers and artists. Until sale the pieces remain the property of the Fashion Arts Foundation.

To date, income from this project has been £5482.00 from 5 pieces of art. The aim for 2017-18 is to source additional funding for the Fashion Arts Commission project to allow it to make a limited impact on the charities reserves as well as to source new funding streams for new collaborative projects.

In preparation for a project in the coming financial year 2017-18, HRH Group donated £78,789 to the Fashion Arts Foundation to fund a collaboration project between designers and film makers.

### **Plans for future developments**

In the coming financial year, the FAF will continue to provide charitable support in accordance with its objects and policies. A film project has already been commissioned and will be launched in June 2017.

### **Investment performance**

FAF is still in its infancy and donations have so far been held on bank deposit accounts. As the fund grows, the directors will develop an investment policy to place surplus funds in appropriate investments of low risk, whilst ensuring that at least the minimum reserve level is maintained.

## **FINANCIAL REVIEW**

### **Significant events**

The principal funding source for the FAF is from corporate and individual donations. Other than funds raised for the FAF, there were no other fund raising activities undertaken in the year.

### **Reserves**

FAF does not require significant funds to manage its day to day activities. The trustees aim to maintain a minimum reserve of £5,000. Reserves at the year end were £131,101 (2016: £138,984). This reserve level is reviewed on an annual basis.

**Fashion Arts Foundation  
Report of the Trustees Continued  
For the year ended 30 April 2017**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

FAF is a charitable company limited by guarantee, governed by its Memorandum and Articles of Association. It was incorporated on 27 April 2011 and registered with the Charity Commission as a charity on 18 June 2012.

The sole member of FAF is the British Fashion Council Limited ("the BFC"), a company limited by guarantee incorporated in England and Wales, with its registered office at Somerset House, South Wing, Strand, London, WC2R 1LA.

**Recruitment and appointment of trustees**

**Appointment of directors**

The directors of FAF are also the trustees for the purposes of charity law. Directors are appointed by the BFC pursuant to the FAF's Articles of Association. The number of directors shall not be less than two but is not subject to any maximum number. A director of FAF, who is also a director of the BFC, is appointed to serve for as long as he or she is a director of the BFC. Any other director is appointed to serve until he or she vacates the office in accordance with the Articles of Association.

**Trustee induction and training**

On appointment, new directors are briefed on their legal obligations and powers as company directors and charity trustees. New directors are also provided with a copy of the FAF Articles of Association, and information on the history and structure of FAF, as well as the decision making processes, policies and the future plans and objectives of FAF.

The directors are responsible for the strategic direction and policy of FAF and, subject to any prudent delegation to advisers and agents, make all substantive decisions in relation to FAF. In furtherance of this, the directors meet as and when required and will hold at least one board meeting per year. The directors may delegate any of their powers or functions to committees but the terms of delegation must be agreed in advance.

**REFERENCE AND ADMINISTRATIVE INFORMATION**

<b>Name of Charity</b>	Fashion Arts Foundation
<b>Charity registration number</b>	1147729
<b>Company registration number</b>	07616783
<b>Principal address</b>	Somerset House South Wing, The Strand London WC2R 1LA

**Trustees**

The trustees and officers serving during the year and since the year end were as follows:

Caroline Rush  
Heather Jane Boardman  
Valeria Napoleone

**Independent examiners**

Andrew M Wells FMAAT  
Counterculture Partnership LLP  
99 Western Road  
Lewes  
East Sussex  
BN7 1RS

**Bankers**

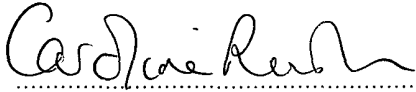
HSBC Bank plc  
70 Pall Mall  
London  
SW1Y 5EZ

**Fashion Arts Foundation  
Report of the Trustees Continued  
For the year ended 30 April 2017**

**Solicitors**

Veale Wasbrough Vizards  
Orchard Court  
Orchard Lane  
Bristol  
BS1 5WS

Approved by the Board of Trustees and signed on its behalf by



..... 23 October 2017

Caroline Rush

**Fashion Arts Foundation  
Independent Examiners Report to the Trustees  
For the year ended 30 April 2017**

I report on the accounts of the charitable company for the year ended 30 April 2017, which comprise the Statement of Financial Activities, the Statement of Financial Position and the related notes.

**Respective responsibilities of trustees and examiner**

The Trustees, who are also directors for the purposes of company law, are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is required.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 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 the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charitable company 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 you as 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**

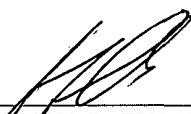
In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that, in any material respect, the requirements:

- to keep accounting records in accordance with 386 and 387 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of section 394 and 395 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met, or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



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Andrew M Wells FMAAT  
Counterculture Partnership LLP  
99 Western Road  
Lewes  
East Sussex  
BN7 1RS

23 October 2017

**Fashion Arts Foundation**  
**Statement of Financial Activities (including Income and Expenditure Account)**  
**For the year ended 30 April 2017**

	Notes	Unrestricted funds £	2016 £
<b>Income and endowments from:</b>			
Donations and legacies	2	84,271	-
<b>Total</b>		<u>84,271</u>	<u>-</u>
<b>Expenditure on:</b>			
Charitable activities	3/4	(92,154)	(1,685)
<b>Total</b>		<u>(92,154)</u>	<u>(1,685)</u>
<b>Net expenditure</b>		<b>(7,883)</b>	<b>(1,685)</b>
<b>Reconciliation of funds</b>			
Total funds brought forward		138,984	140,669
<b>Total funds carried forward</b>		<u><b>131,101</b></u>	<u><b>138,984</b></u>

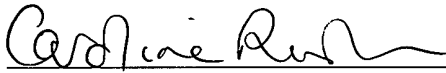
**Fashion Arts Foundation**  
**Statement of Financial Position**  
**As at 30 April 2017**

	Notes	2017 £	2016 £
<b>Current assets</b>			
Cash at bank and in hand		131,101	138,984
		<b>131,101</b>	<b>138,984</b>
<b>Net current assets</b>		<b>131,101</b>	<b>138,984</b>
<b>Total assets less current liabilities</b>		<b>131,101</b>	<b>138,984</b>
<b>Net assets</b>		<b>131,101</b>	<b>138,984</b>
<b>The funds of the charity</b>			
Unrestricted income funds	8	131,101	138,984
<b>Total funds</b>		<b>131,101</b>	<b>138,984</b>

For the year ended 30 April 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statement were approved and authorised for issue by the Board and signed on its behalf by:



Caroline Rush  
Trustee

23 October 2017



**Fashion Arts Foundation**  
**Notes to the Financial Statements**  
**For the year ended 30 April 2017**

**1. Accounting Policies**

**Basis of accounting**

The financial statements have been prepared under the historical cost convention, except for investments which are included at market value and the revaluation of certain fixed assets and 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 2015)', Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), and the Companies Act 2006.

Fashion Arts 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 note(s).

**Going concern**

The company is a company limited by guarantee. The members of the company are the trustees named on page 2. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

**Statement of cash flows**

The Trustees have taken advantage of the exemption in SORP FRS 102 from including a cash flow statement in the financial statements on the grounds that the charitable company is small.

**Funds**

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 which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. Investment income, gains and losses are allocated to the appropriate fund.

**Incoming resources**

All incoming resources are included in the statement of financial activities when the Charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

**Resources expended**

Liabilities are recognised as resources expended when there is a legal or constructive obligation committing the Charity to the expenditure:

**Allocation and appointment of costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include any back office costs, finance, personnel, payroll and governance costs which support the charities programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities where applicable. The bases on which support costs have been allocated are set out in the notes to the accounts.

**2. Income from donations and legacies**

	2017	2016
	£	£
<b>Unrestricted funds</b>		
Donations received	84,271	-
	84,271	-
	84,271	-

**Fashion Arts Foundation**  
**Notes to the Financial Statements Continued**  
**For the year ended 30 April 2017**

**3. Costs of charitable activities by fund type**

	2017	2016
	£	£
<b>Unrestricted funds</b>		
<b>Education in the arts in particular fashion design</b>		
Direct cost	-	504
Designer commission	34,463	-
Project management and marketing	52,742	-
	<b>87,205</b>	<b>504</b>
<b>Support costs</b>		
Administration (Education in the arts in particular fashion design)	4,949	-
Finance (Education in the arts in particular fashion design)	-	11
<b>Governance costs</b>		
Audit fees (Education in the arts in particular fashion design)	-	420
Other finance costs (Education in the arts in particular fashion design)	-	750
	<b>4,949</b>	<b>1,181</b>
	<b>92,154</b>	<b>1,685</b>

**4. Costs of charitable activities by activity type**

	Activities undertaken directly	Support costs	2017	2016
	£	£	£	£
<b>Support costs</b>				
Education in the arts in particular fashion design	87,205	4,949	92,154	1,685

**Fashion Arts Foundation**  
**Notes to the Financial Statements Continued**  
**For the year ended 30 April 2017**

**5. Analysis of support costs**

	2017	2016
	£	£
<b>Education in the arts in particular fashion design</b>		
Administration	4,949	-
Finance	-	11
Governance costs	-	1,170
	<b>4,949</b>	<b>1,181</b>
	<b>4,949</b>	<b>1,181</b>

**6. Net income/(expenditure) for the year**

This is stated after charging/(crediting):

	2017	2016
	£	£
Auditor's fees	-	420
	<b>-</b>	<b>420</b>
	<b>-</b>	<b>420</b>

**7. Comparative for the Statement of Financial Activities**

The comparative year values on the Statement of Financial Activities are for unrestricted funds.

**8. Movement in funds**

**Unrestricted Funds**

	Balance at 01/05/2016	Incoming resources	Outgoing resources	Balance at 30/04/2017
	£	£	£	£
<i>General</i>				
General	138,984	84,271	(92,154)	131,101
	<b>138,984</b>	<b>84,271</b>	<b>(92,154)</b>	<b>131,101</b>
	<b>138,984</b>	<b>84,271</b>	<b>(92,154)</b>	<b>131,101</b>

**Fashion Arts Foundation**  
**Notes to the Financial Statements Continued**  
**For the year ended 30 April 2017**

**Unrestricted Funds - Previous year**

	Balance at 01/05/2015 £	Incoming resources £	Outgoing resources £	Balance at 30/04/2016 £
<i>General</i>				
General	140,669	-	(1,685)	138,984
	<u>140,669</u>	<u>-</u>	<u>(1,685)</u>	<u>138,984</u>

**Purpose of unrestricted Funds**

General

The unrestricted funds which are used to meet the charitable objects of the FAF at the discretion of the directors.

**9. Analysis of net assets between funds**

	Net current assets / (liabilities) £	Net Assets £
<b>Unrestricted funds</b>		
<i>General</i>		
General	131,101	131,101
	<u>131,101</u>	<u>131,101</u>

**Previous year**

	Net current assets / (liabilities) £	Net Assets £
<b>Unrestricted funds</b>		
<i>General</i>		
General	138,984	138,984
	<u>138,984</u>	<u>138,984</u>