

THE BREADSTICKS FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017

CHARITY COMMISSION
FIRST CONTACT

11 APR 2018

ACCOUNTS
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Caladine

Chartered Certified Accountants

THE BREADSTICKS FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees Ms Beatrix Payne (Chair)
Dr Paul Ballantyne (Secretary and Treasurer)
Ms Beatrice Roberts
Mr Trevor Macy
Dr Kirsty Le Doare

Charity number 1125396

Auditor Caladine Limited
Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

Bankers Co-operative Bank Plc
1 Balloon Street
Manchester
M60 4EP

Accountant Peter Saltiel
Church and Charity Accounts Service
Planchadeau
23460 Saint Pierre Bellevue
Limousin
France

THE BREADSTICKS FOUNDATION

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THE BREADSTICKS FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2017

The Trustees present their report and accounts for the year ended 30 September 2017.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Foundation's declaration of trust, the Charities Act 2011 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)

Objectives and activities

The objects of the Foundation are to advance education and to protect and preserve good health with a particular focus on Africa, India, Southeast Asia and the UK.

The Trustees confirm that they have referred to the guidance contained within the Charity Commission's general guidance on public benefit when reviewing the Foundation's aims and objectives and in planning future activities and setting the grant making policy for the year. In so doing, the Trustees have complied with the duty in section 17 of the Charities Act 2011.

The Foundation carries out its objectives by:

- funding community programmes whose efforts enable the provision of education or healthcare support.
- funding programmes that are small-scale activities embedded in local communities, or large-scale organisations
- funding programmes whose recipients are often marginalised
- funding programmes in our focus geographical areas

By focussing on these areas we achieve our strategic priorities of:

- helping communities to create sustainable futures through support for and provision of education and healthcare
- building long-term partnerships with the organisations we support.

Grant-making policy

Grant applications are by invitation only and must fit within the Foundation's objectives described above. We aim to build close, long-term partnerships with the organisations we support. Where possible we aim to provide partner organisations with long-term core funding but will also provide project-related grants. Grant sizes vary.

The countries in which the Foundation currently works directly are the United Kingdom, South Sudan, Uganda, Kenya, Rwanda, South Africa, India, Indonesia and Laos. The Breadsticks Foundation will consider programmes outside these core countries from across Africa and Asia but, unless the Trustees judge the programme to be outstanding, there is a low probability of success.

The Foundation will not sponsor individuals or fund work with animals, medical research or capital and building projects. We will not fund faith-based programmes unless they work with beneficiaries from all faiths and none.

We participate closely in monitoring and evaluation with our partners and, in order to achieve this, require half-yearly progress reports on each grant. In assessing a grant application, we will analyse each applicant's financial reports and accounts and will conduct telephone and face-to-face interviews.

THE BREADSTICKS FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2017

The Trustees are open to collaborative funding of organisations and programmes with other grant-making bodies and already do this through the Foundation's involvement with Islington Giving, St Mary's Islington Community Partnership, Urban Hope and Doctors of the World.

Achievements and performance

The Trustees of the Breadsticks Foundation aim to be closely involved with the Foundation's grant partners and take considerable responsibility for the Foundation's day-to-day operations. To do this efficiently, the Trustees aim to work with up to 20 grant partners.

Grants made by the Breadsticks Foundation clearly fall within the thirteen "Heads of Charity" outlined by the Charity Commission for England and Wales and defined in the Charities Act 2011.

During the year Trustees visited Laos Disabled Women's Development Centre in Vientiane, Laos; Mumbai Mobile Creches and the Akanksha management teams in Mumbai; Hope and Homes for Children's operations in Ukraine; Brighton Oasis, Islington Giving and School Home Support's operations in Southeast England. We were very pleased to see the progress achieved with the assistance of grants from the Breadsticks Foundation.

Summary of programme grants approved or disbursed in the year ending September 2017.

Grants in Africa

- Basic Needs, Kenya. The grant enabled Basic Needs Kenya to support staff and build capacity at mental health specialist South Sudan Psychosocial Programme, Kajo-Keji, and its affiliated arm Community Psychosocial Support Organisation in Moyo, Uganda.
- Dreamfields Project, Johannesburg. Our grant will enable the provision of football and netball coaching, equipment and leagues at schools supported by Zisize Education Trust, Ingwavuma, South Africa.
- Three2Six, Sacred Heart College, Johannesburg. We provided core operational funding to the Three2Six bridging programme which provides after-hours education to refugee children in Johannesburg to prepare them for mainstream schooling.
- Zisize Educational Trust, Ingwavuma, South Africa. The grant contributed to staff salary costs enabling Zisize to work with seven local schools in providing education and support.

Grants in Asia

- Lao Disabled Women's Development Centre, Vientiane, Laos. This residential centre accommodates and trains disabled women in Vientiane and provides outreach training to villagers, community workers and sector partners. The grant provided accommodation for 60 residents and vocational training, staff capacity building, advocacy work and handicraft production.
- Mumbai Mobile Creches, Mumbai, India. We committed to a multi-year grant to enable MMC to continue to operate its day care centres for the children of workers on construction sites around Mumbai as well as improve its fundraising and strengthen its advocacy work.
- The Banyan, Chennai, India. Our grant goes towards core costs for this provider of community-based health care and support to people with poor mental health in the city of Chennai and rural areas near to it.

THE BREADSTICKS FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2017

Grants in the United Kingdom

- Beanstalk, London. The grant supported Beanstalk's work supporting the literacy of around 300 children in Manchester and nearby Rochdale.
- Brighton Oasis, Brighton. The grant funded core costs for Young Oasis a therapy centre providing support to children and young people affected by family alcohol or drug use in Brighton, Hove and East Sussex. Funding enabled the centre to nearly double the number of children and young people supported in its programme.
- Carers Worldwide, Welwyn Garden City. We funded core costs for Carers Worldwide's India-based operation which works with local partner organisations to support carers.
- Doctors of the World, London. Our grant provides funding for the work of a family clinic meeting the ante- and post-natal needs of migrants, trafficked women and those with no recourse to public funds in Tower Hamlets.
- Freedom from Torture, London. This organisation provides care and rehabilitation to survivors of torture and other forms of organised violence. Our funding contributed towards the operating costs of the Northwest Treatment Centre in Manchester.
- Hanley Crouch Community Association, London. We part funded, with Islington Council, the core costs of an after-school club and holiday project for children in Finsbury Park, London.
- Hope and Homes for Children, Wiltshire. Our grant funded HHC's work in Africa, South America and Central Europe where HHC helps orphaned and vulnerable children live in supported and sustainable family units and supports national governments towards deinstitutionalisation of childcare.
- Islington Giving, London, is an alliance of Islington-based organisations and individuals aiming to improve activities for young people, tackle isolation, lack of opportunity and poverty in the borough. Our grant was unrestricted and leveraged additional funding from other local sources.
- Ministry of Stories, London. Our grant supports some of the core costs of this schools literacy programme.
- School Home Support, London. The grant provided core funding to work across England to help tackle absenteeism and truancy from primary schools by working with children and their families.
- St Mary's Islington Community Partnership, London. Our grant provided match-funding to enable Mary's to deliver its programmes to support young people to prepare for interviews and support them into work.
- St Mungo's Community Housing Association, London. The grant provided core funding to the Lifeworks Psychotherapy Service.
- Urban Hope, London. We match-funded the costs of a male Youth Worker to support - through workshops, organised activities and one-to-one advice - around 30 young men attending the Urban Hope youth club in Canonbury.

Financial review, reserves and investment policy

In the period under review, the Foundation received donations of £1,048,767 and £262,192 in Gift Aid and £8 in bank interest while grants amounting to £1,057,481 were made to the organisations described above. The cash balance at year end was £52,451. In the course of disbursing funds, the Foundation incurred expenses that amounted to 1.06% of funds received.

The investment policy of the Foundation is to spend funds as soon as is practicable and certainly within one year. Prior to disbursement, funds are kept on interest-bearing bank deposit.

THE BREADSTICKS FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2017

Risk management

Any financial risk to which the Foundation is exposed is mitigated by the investment policy described above - whereby surplus fund balances are minimised and kept only as savings deposits and only with UK clearing banks. Funds are kept to match the near-term financial obligations of the Foundation to its partner organisations. Operational risk we define as funding disbursed that gives rise to outcomes that are not in line with the Foundation's objectives. We aim to mitigate this risk by thorough, detailed appraisal of the integrity, capacity, capability and governance of potential recipients of funding prior to disbursement of that funding. We also assess the political, economic, social, technological, legal and environmental risks in each country where we fund organisations, with a view to assessing the ability of our partner organisations to conduct their activities freely.

Risks associated with the safeguarding of children, young people and vulnerable adults are important for the Foundation to take account of as, in many cases, the beneficiaries will be those who are particularly vulnerable. Whilst the responsibility for detailed actions on safeguarding must lie with the organisations and individuals directly delivering services or undertaking activities we think that it is essential that the Foundation takes a broad overview and awards grants in ways that enhance safeguarding.

In the award of grants the Foundation will seek evidence of: a safeguarding policy; a named person responsible for dealing with concerns or allegations of abuse; clear guidance on what action to take if allegations are made; a rigorous recruitment and selection process for staff and volunteers who work with children and vulnerable adults; a written code of behaviour which outlines good practice when working with children and vulnerable adults; information for children, vulnerable people, their parents and carers about where to go for help and a protective culture which ensures that if individuals have concerns someone will listen and take them seriously.

Unfortunately, owing to internal management weakness Riders for Health was closed and put into liquidation in June 2016 with £42,565 of Breadsticks Foundation grant funds unspent and unaccounted for. Unlike other RFH funders, the Trustees decided not to write off this amount but asked that any remaining funds from the liquidation that could be associated with Breadsticks Foundation's grant be given directly to RFH's partners based in various African countries. The last communication from the former RFH Trustee team and liquidators David Rubin & Partners was in May 2017 when Trustees were told the liquidation process was ongoing but that they would be notified of any developments in the winding up of RFH's operations. The Trustees have heard nothing since but feel the Charity Commission should be made aware of this event.

Structure, governance and management

The Trustees who served during the year were:

Ms Beatrix Payne (Chair)

Dr Paul Ballantyne (Secretary and Treasurer)

Ms Beatrice Roberts

Mr Trevor Macy

Ms Alison Bukhari

Dr Kirsty Le Doare

(Resigned 1 November 2017)

The Breadsticks Foundation is registered with the Charity Commission in England and Wales, constituted under a declaration of trust signed on 31st July 2008. The Breadsticks Foundation has a minimum of three Trustees appointed for various terms of at least two years. New Trustees are recruited by the existing Trustees on the basis of their experience, empathy with and knowledge of the Foundation's work. On appointment, new Trustees meet with the Chairwoman, Secretary and Treasurer and are given a welcome pack consisting of the governing document and latest report and statement of accounts and the Charity Commission's guidance booklet "The Essential Trustee: What you need to know."

THE BREADSTICKS FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2017

The Trustees meet three times a year to agree strategy and grant making and oversee reserves and risk management policies. Day-to-day management of grants and initial consideration of grant applications are delegated to the Executive Committee consisting of the Chairwoman, Secretary and Treasurer.

All Trustees give their time freely and no Trustee received remuneration during the year. Travel expenses incurred when visiting projects and to attend Trustee board meetings are reimbursed.

Statement of trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Foundation and of the incoming resources and application of resources of the Foundation for that year.

In preparing these accounts, 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 accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Foundation and enable them to ensure that the accounts comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the trust deed. They are also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Caladine Limited of Chantry House, 22 Upperton Road, Eastbourne acted as auditors during the period and they have indicated they will be prepared to continue in office.

The trustees' report was approved by the Board of Trustees.

Trustee

Dated: 24 March 2018

THE BREADSTICKS FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE BREADSTICKS FOUNDATION

Opinion

We have audited the accounts of The Breadsticks Foundation (the 'Foundation') for the year ended 30 September 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, 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 accounts:

- give a true and fair view of the state of the charity's affairs as at 30 September 2017 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the Foundation in accordance with the ethical requirements that are relevant to our audit of the accounts 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the Trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the Foundation's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the accounts 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.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in 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 there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Trustees and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the accounts; or
- sufficient accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

THE BREADSTICKS FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE BREADSTICKS FOUNDATION

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees' are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustees are responsible for assessing the Foundation'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the accounts 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 accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters which we are required to address

Your attention is drawn to the fact that the charity has prepared accounts 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.


for and on behalf of Caladine Limited

25 March 2018

Chartered Certified Accountants
Statutory Auditor

Chantry House
22 Upperton Road
Eastbourne
East Sussex
BN21 1BF

THE BREADSTICKS FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2017

	Notes	2017 £	2016 £
<u>Income from:</u>			
Donations and legacies	2	1,310,959	1,000,000
Investments	3	8	186
Total income		<u>1,310,967</u>	<u>1,000,186</u>
<u>Expenditure on:</u>			
Charitable activities	4	<u>1,071,340</u>	<u>1,171,954</u>
Net income/(expenditure) for the year/ Net movement in funds		239,627	(171,768)
Fund balances at 1 October 2016		<u>75,694</u>	<u>247,462</u>
Fund balances at 30 September 2017		<u><u>315,321</u></u>	<u><u>75,694</u></u>

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

All income and expenditure derive from continuing activities.

THE BREADSTICKS FOUNDATION

BALANCE SHEET

AS AT 30 SEPTEMBER 2017

	Notes	2017 £	£	2016 £	£
Current assets					
Debtors	9	264,715		2,426	
Cash at bank and in hand		52,451		75,113	
		<u>317,166</u>		<u>77,539</u>	
Creditors: amounts falling due within one year					
Other creditors	10	1,845		1,845	
		<u>1,845</u>		<u>1,845</u>	
Net current assets			315,321		75,694
			<u>315,321</u>		<u>75,694</u>
Income funds					
Unrestricted funds			315,321		75,694
			<u>315,321</u>		<u>75,694</u>

The accounts were approved by the Trustees on 24 March 2018

Trustee (Chair)

Trustee (Secretary and Treasurer)

THE BREADSTICKS FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

	Notes	2017 £	£	2016 £	£
Cash flows from operating activities					
Cash absorbed by operations	12		(22,670)		(170,721)
Investing activities					
Income from investments		8		186	
Net cash generated from investing activities			8		186
Net decrease in cash and cash equivalents			(22,662)		(170,535)
Cash and cash equivalents at beginning of year			75,113		245,648
Cash and cash equivalents at end of year			52,451		75,113

THE BREADSTICKS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

1 Accounting policies

Charity information

The Breadsticks Foundation is a registered charity in England and Wales (number 1125396), constituted under a declarations of trust signed 31st July 2008.

The address of the Foundation's principal place of business is 35 Canonbury Square, London, N1 2AN.

1.1 Accounting convention

The accounts have been prepared in accordance with the Foundation's declaration of trust, the Charities Act 2011 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 Foundation is a Public Benefit Entity as defined by FRS 102.

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

The accounts 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 accounts, the Trustees have a reasonable expectation that the Foundation 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 accounts.

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.

1.4 Income

Income is recognised when the Foundation 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.

Donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount.

1.5 Expenditure

Liabilities are recognised as soon as a legal or constructive obligation arises committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under the headings that aggregate all costs related to the category. Costs of activities in furtherance of the charity's objects are grants made by the charity to support its charitable projects, and the support costs relating to the activity.

Support costs comprise administration costs in relation to the grant making, together with governance costs. Governance costs include the costs of preparing and auditing the statutory accounts. The support costs have been allocated wholly to the grant making activities.

The Foundation supports by the provision of financial grants some of those organisations whose own activities are in accordance with the Foundation's objects. Applications are received by invitation only. The sums recognised to the Statement of Financial Activities are those paid in the period under review as whether the conditions attached to the commitment are met by the recipient are assessed on an annual basis.

THE BREADSTICKS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2017

1 Accounting policies (Continued)

1.6 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.

1.7 Financial instruments

The charity 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. Basic financial assets include trade and other receivables and cash and bank balances. Basic financial liabilities include trade and other payables where trade payables are obligations to pay for goods or services that have been acquired on the ordinary course of operations from suppliers.

2 Donations and legacies

	2017	2016
	£	£
Donations and gifts	1,048,767	800,000
Gift Aid receivable	262,192	200,000
	<u>1,310,959</u>	<u>1,000,000</u>

3 Investments

	2017	2016
	£	£
Interest receivable	<u>8</u>	<u>186</u>

THE BREADSTICKS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2017

4 Charitable activities

	2017	2016
	£	£
Grant funding of activities (see note 5)	1,057,481	1,155,364
Share of support costs (see note 6)	11,511	14,745
Share of governance costs (see note 6)	2,348	1,845
	<u>1,071,340</u>	<u>1,171,954</u>
Analysis by fund		
Unrestricted funds	<u>1,071,340</u>	
For the year ended 30 September 2016		
Unrestricted funds		<u>1,171,954</u>

5 Grants payable

	2017	2016
	£	£
Grants to institutions:		
Basic Needs UK in Kenya	48,534	20,000
Beanstalk (Volunteer Reading Help)	50,840	30,000
Brighton Oasis	45,654	44,758
Dreamfields	35,096	-
Freedom from Torture	150,000	150,000
Hope & Homes for Children	250,000	250,000
Islington Giving	50,000	50,000
Loa Disabled Women's Development Centre	39,053	35,053
Mumbai Mobile Creches	73,788	125,307
Sacred Heart College (Three2Six)	57,761	44,549
School Home Support	50,000	50,000
St Mary Islington Community Partnership	15,000	35,000
St Mungos Community Housing Association	75,509	136,136
The Banyan	-	74,784
Other < £35,000	116,246	109,777
	<u>1,057,481</u>	<u>1,155,364</u>

THE BREADSTICKS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2017

6 Support costs

	Support costs	Governance costs	Total 2017	2016	Basis of allocation
	£	£	£	£	
Travelling expenses	230	503	733	976	Trustee meeting travel
Conference costs	-	-	-	560	Support
Grant management	8,673	-	8,673	8,340	Support
Bank charges	36	-	36	36	Support
Website	1,032	-	1,032	270	Support
Research commissioned	1,540	-	1,540	4,563	Support
Audit fees	-	1,620	1,620	1,620	Governance
Accountancy	-	225	225	225	Governance
	<u>11,511</u>	<u>2,348</u>	<u>13,859</u>	<u>16,590</u>	
<u>Analysed between</u>					
Charitable activities	<u>11,511</u>	<u>2,348</u>	<u>13,859</u>	<u>16,590</u>	

7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year. Travel costs of £230 (2016: £644) for a Trustee to assess projects overseas were paid by the Foundation.

The Foundation received aggregate donations of £1,048,767 (2016: £800,000) from its Trustees.

Beatrice Roberts is a fundraiser for Sacred Heart College whose programme Three2Six received a grant of £57,761 during the year.

8 Employees

There were no employees during the year.

9 Debtors

	2017	2016
	£	£
Amounts falling due within one year:		
Other debtors	262,192	-
Prepayments and accrued income	2,523	2,426
	<u>264,715</u>	<u>2,426</u>

THE BREADSTICKS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2017

10 Other creditors falling due within one year

	2017 £	2016 £
Accruals and deferred income	1,845	1,845

11 Commitments

The Foundation has made commitments to fund the following organisations for up to a further three years. These have not been charged in the accounts since they are dependent on the charities meeting their performance-related conditions, which are assessed by the Foundation. Commitments in foreign currency have been translated into sterling at the exchange rate prevailing at the time of writing.

	2018 £	2019 £	2020 £
Brighton Oasis	46,567	47,498	48,448
Doctors of the World	28,881	-	-
Dreamfields	31,944	29,152	26,356
Hope & Homes for Children	300,000	300,000	-
Islington Giving	50,000	-	-
Lao Disabled Women's Development Centre	37,879	38,462	-
Freedom from Torture	150,000	150,000	-
Ministry of Stories	25,000	25,000	-
Sacred Heart College (Three2Six)	54,957	-	-
School Home Support	50,000	-	-
St Mary Islington Community Partnership	15,000	-	-
St Mungos Community Housing Association	31,553	-	-
Urban Hope	15,887	-	-
Zisize Education Trust	16,441	-	-
	854,109	590,112	74,804

Each grant has different performance-related conditions attached to future funding commitments. In general these are not onerous and the Trustees reasonably expect that the Foundation will have to fund the listed commitments, in which case the Trustees will ensure that appropriate donations are made to the Foundation to ensure the necessary funds are available. However funding can be suspended if in the view of the Trustees the terms of the grant funding agreement are not met.

THE BREADSTICKS FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2017

12 Cash generated from operations	2017	2016
	£	£
Surplus/(deficit) for the year	239,627	(171,768)
Adjustments for:		
Investment income recognised in statement of financial activities	(8)	(186)
Movements in working capital:		
(Increase)/decrease in debtors	(262,289)	633
(Decrease)/increase in creditors	-	600
	<hr/>	<hr/>
Cash absorbed by operations	(22,670)	(170,721)
	<hr/>	<hr/>

