

COMPANY REGISTRATION NUMBER: 890369

CHARITY REGISTRATION NUMBER: 252370

FRANKGIVING LIMITED

(COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED FINANCIAL STATEMENTS

for the year ended

30 JUNE 2017

COHEN ARNOLD

Chartered Accountants & Statutory Auditor
New Burlington House
1075 Finchley Road
London
NW11 0PU

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)
INDEX TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

	PAGES
Trustees' annual report (incorporating the director's report)	1 to 5
Independent auditor's report to the members	6 to 9
Consolidated statement of financial activities (including the consolidated income and expenditure account)	10
Consolidated balance sheet	11
Charity balance sheet	12
Consolidated statement of cash flows	13
Notes to the financial statements	14 to 32

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTORS' REPORT)

YEAR ENDED 30 JUNE 2017

The trustees, who are also directors for the purposes of company law, present their report and the financial statements of the charity and its subsidiary undertakings for the year ended 30 June 2017.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered charity name	Frankgiving Limited
Charity registration number	252370
Company registration number	890369
Principal office and registered office	New Burlington House 1075 Finchley Road London NW11 0PU
The trustees	Mr Leslie Frankel (Chairman) Mrs Zisi Frankel Mr Laurence Allan Foux Mr Winston Samuel Gilbert
Company secretary	Mrs Zisi Frankel
Auditors	Cohen Arnold Chartered Accountants & Statutory Auditor New Burlington House 1075 Finchley Road London NW11 0PU
Bankers	Barclays Bank Plc 21 Hanover Square London W1S 1JW

STRUCTURE, GOVERNANCE AND MANAGEMENT

The charity is constituted as a company limited by guarantee and as such, its governing documents are its Memorandum and Articles of Association.

The day to day affairs of the charity is administered by the trustees, each of whom holds office for life or until ceasing to hold office by virtue of Article 49 of the Memorandum of Association. None of the trustees have any beneficial interest in the charity.

It is not currently the intention of the trustees of the charity to appoint new trustees.

Where there is a requirement for new trustees, these would be identified and appointed by the remaining trustees. The chair of trustees would be responsible for the induction of any new trustee, which involves awareness of a trustee's responsibilities, the governing document, administrative procedures, and the history and philosophical approach of the charity.

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)
TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)
YEAR ENDED 30 JUNE 2017

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Group structure and relationships

The charity has the following wholly owned non-charitable operating subsidiaries:-

Spiritville Investments Limited	- a property investment company
Heysarbour Investments Limited	- a property investment company

The trustees of this company, Mr Leslie Frankel and Mrs Zisi Frankel are also directors of the above companies.

The trustees did not receive any remuneration for their services nor did they receive any reimbursement for out of pocket expenses.

OBJECTIVES AND ACTIVITIES

The charity is established to promote and assist charitable activities and institutions both in the United Kingdom and abroad. It has concentrated its activities in promoting charitable activities of institutions professing and teaching the principles of traditional Judaism, advancing religion in accordance with the Jewish faith and giving philanthropic aid to the Jewish needy.

The charity receives incomes from its cash deposits, subsidiary undertaking and voluntary income from companies connected with the trustees which it utilises in the provision and distribution of grants and donations to organisations that fall within the objectives of the Charity.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting the grant making policy for the year.

Grant making policy

Grants are made to charitable institutions and organisations both in Great Britain and abroad which accords with the objects of the charity. The trustees consider all requests which they receive and make donations based on the level of funds available.

ACHIEVEMENTS AND PERFORMANCE

During the year the charity has continued its philanthropic activities and has maintained its support of religious, educational and other charitable institutions in Great Britain.

The demands on the charity's funds were less than those experienced last year with charitable donations for the year totalling £285,534 as against £498,794. The donations were met from current income of the charity.

The financial results of the charity and its subsidiary undertakings for the year ended 30 June 2017 are fully reflected in the attached Financial Statements together with the Notes thereon.

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)
TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)
YEAR ENDED 30 JUNE 2017

FINANCIAL REVIEW

Financial position

The charity is reliant on the income from investments, the commercial activities of its subsidiary undertakings and voluntary income from companies connected with the trustees. Income from commercial activities of the subsidiary undertakings together with income from the investments and voluntary donations have helped to boost the total incoming resources.

The financial position of the charity and its subsidiary undertakings is satisfactory. The charity's consolidated statement of financial activities shows net income of £2,118,527 (2016: £1,511,452) and total reserves of £23,511,388 (2016: £21,392,861).

Reserves policy

The Company has necessarily to retain reserves in order to ensure that it is in a position to continue its grant-making activities and cover contingencies of additional calls being made upon the charity for support of organisations or institutions in times of need.

The Trustees consider it appropriate to maintain 'Free Reserves' (unrestricted funds not committed or invested in Fixed Asset Investments) at a level which will not impinge on its ability to support Charitable Institutions.

The 'Free Reserves' of £3,043,009 which are represented by (part of) the liquid funds held by the charity, are considered to be adequate and will be reviewed periodically by the trustees of the charity.

Investment policy

Under the memorandum and articles of association, the charity has the power to make any investment, which the trustees see fit. The trustees regularly review the charity's position and needs in respect of the investment policy.

The trustees, having regard to the liquidity requirements of the charity and to the reserves policy have operated a policy of keeping available funds in an interest-bearing deposit account

The trustees consider the return on investments, in terms of both income and capital growth, to be satisfactory.

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)

YEAR ENDED 30 JUNE 2017

FINANCIAL REVIEW (continued)

Risk management

The trustees have assessed the major risks to which the charity is exposed, in particular those to the operations and finances of the charity, and are satisfied the systems are in place to mitigate its exposure to those risks.

The principal risks to which the charity is exposed are:

- Liabilities arising from property investment activity
- Tenant defaults
- Damage to property from flood, fire or terrorist action
- The availability of liquid funds to make grants and donations
- The economic cycle generally

The charity seeks to manage or mitigate such risks wherever possible through such measures as insurance, tenant screening and monitoring, rigorous reviews of acquisition and investment opportunities, external expert advice, monitoring cash and regular monitoring of the economic outlook. It is recognised that systems can only provide reasonable but not absolute assurance that major risk have been adequately managed.

PLANS FOR FUTURE PERIODS

The trustees plan to continue to make distributions in accordance with their grant making policy and to ensure that the ability to generate sufficient income is maintained to achieve that end.

TRUSTEES' RESPONSIBILITIES

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

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the group and charitable company and the incoming resources and application of resources, including the income and expenditure of the group, 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 accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)

TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)

YEAR ENDED 30 JUNE 2017

TRUSTEES' RESPONSIBILITIES (Continued)

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT OF DISCLOSURE TO AUDITORS

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

AUDITORS

Cohen Arnold is deemed to have been reappointed in accordance with section 487 of the Companies Act 2006.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 18 April 2018 and signed on behalf of the board of trustees by:



Mrs Zisi Frankel
Charity Secretary/Trustee

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FRANKGIVING
LIMITED
YEAR ENDED 30 JUNE 2017

OPINION

We have audited the consolidated financial statements of Frankgiving Limited (the 'charity') and its subsidiaries ("the Group") for the year ended 30 June 2017 which comprise the consolidated statement of financial activities (including income and expenditure account), consolidated balance sheet, the charity's balance sheet, consolidated statement of cash flows and the related notes, 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the Group and the charity's affairs as at 30 June 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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 consolidated financial statements is not appropriate; or
- the trustees have not disclosed in the consolidated financial statements any identified material uncertainties that may cast significant doubt about the Group's and charity'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 consolidated financial statements are authorised for issue.

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FRANKGIVING
LIMITED (Continued)
YEAR ENDED 30 JUNE 2017

OTHER INFORMATION

The other information comprises the information included in the Trustees annual report, other than the consolidated financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the consolidated financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements 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 consolidated financial statements 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.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the Group and the charity 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 Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the consolidated financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FRANKGIVING
LIMITED (Continued)
YEAR ENDED 30 JUNE 2017

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the consolidated financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the trustees are responsible for assessing the Group and the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the charity or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FRANKGIVING
LIMITED (Continued)
YEAR ENDED 30 JUNE 2017

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Dov Harris (Senior Statutory Auditor)

For and on behalf of
Cohen Arnold
Chartered Accountants & Statutory Auditor

New Burlington House
1075 Finchley Road
LONDON
NW11 0PU

Date: 18 April 2018

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING THE CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 30 JUNE 2017

		2017		2016	
		Unrestricted Funds		Unrestricted Funds	
	Note	£	£	£	£
Income and endowments					
Donations and legacies	5		500		-
Investment income	6		1,953,726		1,931,048
Total income			1,954,226		1,931,048
Expenditure					
Expenditure on raising funds:					
Investment management costs	7	(730,947)		(757,068)	
Expenditure on charitable activities	8,9	(296,860)		(511,531)	
Taxation	11	123,824		91,647	
Total expenditure			(903,983)		(1,176,952)
Net gains on investments:					
Gains on revaluation of investment property			-	270,000	
Gains on revaluation of unlisted investment		680,624		96,711	
Gains on disposal of investment property		387,660		390,645	
			1,068,284		757,356
Net income and net movement in funds	12		2,118,527		1,511,452
Reconciliation of funds:					
Total funds brought forward			21,392,861		19,881,409
Total funds carried forward	23		23,511,388		21,392,861

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 14 to 32 form part of these financial statements.

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2017

		2017	2016
	Note	£	£
FIXED ASSETS			
Investments	16	24,405,828	22,957,787
CURRENT ASSETS			
Debtors	18	6,967,011	7,848,268
Cash at bank and in hand		2,342,666	1,402,018
		<u>9,309,677</u>	<u>9,250,286</u>
CREDITORS: amounts falling due within one year	19	<u>(476,486)</u>	<u>(748,750)</u>
NET CURRENT ASSETS		<u>8,833,191</u>	<u>8,501,536</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		33,239,019	31,459,323
CREDITORS: amounts falling due after more than one year	20	(8,747,631)	(8,962,462)
PROVISIONS	22	(980,000)	(1,104,000)
NET ASSETS		<u>23,511,388</u>	<u>21,392,861</u>
FUNDS OF THE CHARITY			
Unrestricted funds	23	23,511,388	21,392,861
Total charity funds		<u>23,511,388</u>	<u>21,392,861</u>

These financial statements were approved by the board of trustees and authorised for issue on 18 April 2018, and are signed on behalf of the board by:

.....
Mr L Frankel
Trustee

Company Registration Number: 890369

The notes on pages 14 to 32 form part of these financial statements.

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)

BALANCE SHEET AS AT 30 JUNE 2017

		2017		2016	
	Note	£	£	£	£
FIXED ASSETS					
Investments	16		20,468,387		19,998,439
CURRENT ASSETS					
Debtors	18	1,685,647		1,438,904	
Cash at bank and in hand		1,379,212		1,081,775	
		<u>3,064,859</u>		<u>2,520,679</u>	
CREDITORS: amounts falling due within one year	19	<u>(21,850)</u>		<u>(23,339)</u>	
NET CURRENT ASSETS			<u>3,043,009</u>		<u>2,497,340</u>
NET ASSETS			<u>23,511,396</u>		<u>22,495,779</u>
FUNDS OF THE CHARITY					
Unrestricted funds	23		<u>23,511,396</u>		<u>22,495,779</u>
Total charity funds			<u>23,511,396</u>		<u>22,495,779</u>

These financial statements were approved by the board of trustees and authorised for issue on 18 April 2018, and are signed on behalf of the board by:

.....
Mr L Frankel
Trustee

Company Registration Number: 890369

The notes on pages 14 to 32 form part of these financial statements.

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2017

	Note	2017 £	2016 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income		2,118,527	1,511,452
<i>Adjustments for:</i>			
Net gains on investments		(1,068,284)	(757,356)
Dividends, interest and rents from investments		(1,459,415)	(1,424,995)
Interest receivable and similar income		(494,311)	(506,053)
Accrued (income)/expenses		(13,895)	(1,002)
Payments for expenditure on investment properties		137,844	149,408
Interest payable and similar charges		573,690	586,225
Current and deferred tax		(123,824)	(91,647)
<i>Changes in:</i>			
Trade and other debtors		(41,388)	(29,838)
Trade and other creditors		(1,383)	1,459
Cash generated from operations		(372,439)	(562,347)
Interest received		3,827	3,261
Tax paid		(176)	(353)
Net cash used in operating activities		(368,788)	(559,439)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends, interest and rents from investments		1,962,618	1,833,448
Cash receipts from the repayment of advances and loans		899,446	-
Cash receipts from repayment of investments		-	700,000
Cash payments from the advancement of loans		-	(180,000)
Purchases of other investments		(767,417)	(849,002)
Proceeds from sale of investment properties		387,660	390,645
Payments for expenditure on investment properties		(137,844)	(149,408)
Net cash from investing activities		2,344,463	1,745,683
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		-	58,725
Repayments of borrowings		(452,749)	-
Interest paid		(582,278)	(576,534)
Net cash used in financing activities		(1,035,027)	(517,809)
NET INCREASE IN CASH AND CASH EQUIVALENTS		940,648	668,435
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		1,402,018	733,583
CASH AND CASH EQUIVALENTS AT END OF YEAR	28	2,342,666	1,402,018

The notes on pages 14 to 32 form part of these financial statements.

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

1. GENERAL INFORMATION

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is New Burlington House, 1075 Finchley Road, London, NW11 0PU.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. ACCOUNTING POLICIES

3.1 Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

The charity meets the definition of a public benefit entity under FRS 102.

3.2 Going concern

There are no material uncertainties about the charity's ability to continue.

3.3 Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 July 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 29.

3.4 Group financial statements

These Financial Statements consolidate the results of the charity and its wholly-owned subsidiaries, Spiritville Investments Limited and Heysarbor Investments Limited. A separate Statement of Financial Activities, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006. However, the Statement of Financial Activities for the charity is separately filed with the Charity Commission.

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

3. ACCOUNTING POLICIES (continued)

3.5 Judgements and key sources of estimation uncertainty

Judgements made by the directors in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are as follows:

(i) Property valuation

The valuation of the charity's investment property is inherently subjective, depending on many factors including the nature of the property, its location and expected future net rental values, market yields and comparable market transactions. Therefore the valuation is subject to a degree of uncertainty and is made on the basis of assumptions which may not prove to be accurate, particularly in periods of difficult market or economic conditions.

(ii) Trade and other debtors

Management uses details of the age of trade and other debtors and the status of any disputes together with external evidence of the credit status of the counterparty in making judgements concerning any need to impair the carrying value.

3.6 Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment. There are no designated funds as at the balance sheet date.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds. There are no restricted funds as at the balance sheet date.

3.7 Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

3. ACCOUNTING POLICIES (continued)

3.8 Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

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

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

The following specific policies are applied to particular categories of expenditure:

- grants and donations are recognised when paid.

3.9 Taxation

The charity is not liable to current tax on its income as it falls within the various exemptions available to registered charities. The subsidiary undertakings are subject to Corporation Tax but it is expected that their income will be gifted for charitable purposes and should be exempt from taxation.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

3.10 Unlisted investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

3. ACCOUNTING POLICIES (continued)

3.11 Investment in subsidiary undertakings

Shareholdings acquired in subsidiary undertakings are shown at market value as valued by the trustees.

3.12 Acquisitions and disposals

Acquisitions and disposals of properties are considered to take place at the date of legal completion and are included in the financial statements accordingly.

3.13 Investment property

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are recognised initially at cost.

Subsequent to initial recognition

- Investment properties whose fair value can be measured reliably without undue cost or effort are held at fair value. Any gains or losses arising from changes in the fair value are recognised in the profit and loss account in the period that they arise; and
- No depreciation is provided in respect of investment properties applying the fair value model.

Investment property fair value is determined by the trustees based on their understanding of property market conditions and the specific property concerned, using a sales valuation approach, derived from recent comparable transactions on the market, adjusted by applying discounts to reflect status of occupation and condition.

3.14 Debtors

Debtors are recognised and carried forward at invoiced amounts less provisions for any doubtful debts. Bad debts are written off when identified.

3.15 Creditors

Creditors are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources. Creditors are recognised at transaction price less attributable transaction costs.

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

3. ACCOUNTING POLICIES (continued)

3.16 Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Limited by guarantee

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

5. DONATIONS AND LEGACIES

	Unrestricted Funds	
	2017	2016
	£	£
Donations	500	-

6. INVESTMENT INCOME

	Unrestricted Funds	
	2017	2016
	£	£
Rent and charges receivable	1,357,681	1,352,251
Income from unlisted investment	101,734	72,744
Bank interest receivable	3,827	3,261
Loan interest receivable	490,484	502,792
	<u>1,953,726</u>	<u>1,931,048</u>

7. INVESTMENT MANAGEMENT COSTS

	Unrestricted Funds	
	2017	2016
	£	£
Investment property outgoings	137,844	149,408
Management and administration	19,413	21,435
Interest payable	573,690	586,225
	<u>730,947</u>	<u>757,068</u>

8. EXPENDITURE ON CHARITABLE ACTIVITIES BY FUND TYPE

	Unrestricted Funds	Total Funds 2017	Unrestricted Funds	Total Funds 2016
	£	£	£	£
Grants paid	285,534	285,534	498,794	498,794
Support costs	11,326	11,326	12,737	12,737
	<u>296,860</u>	<u>296,860</u>	<u>511,531</u>	<u>511,531</u>

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

9. EXPENDITURE ON CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Grant funding of activities £	Support costs £	Total Funds 2017 £	Total Funds 2016 £
Grants paid	285,534	-	285,534	498,794
Governance costs	-	11,326	11,326	12,737
	<u>285,534</u>	<u>11,326</u>	<u>296,860</u>	<u>511,531</u>

10. ANALYSIS OF GRANTS

	2017 £	2016 £
GRANTS TO INSTITUTIONS		
Support of education and relief of poverty	285,534	498,794
Total grants	<u>285,534</u>	<u>498,794</u>

All grants and donations were paid to charitable institutions for the purposes of either the advancement of education or the relief of poverty.

The composition of donations is shown below:

	£
Beis Yaakov Primary School Foundation	5,500
Chevrav Mo'oz Ladol	9,000
Ezer V'Hatzalah Limited	9,500
Friends of Beis Chinuch Lebonos Trust	25,000
Friends of Beis Soroh Schneirer	10,000
Friends of Mercav Hatorah Belz Macnivka	20,000
Friends of Toldos Avrohom Yitzchok	12,000
Mifal Hachessed Vehatzedokoh	45,000
Mifal Tzedoko V'chesed Limited	20,000
One Heart – Lev Echod	23,000
Revach Vehazola Trust	7,000
Sharei Chesed (London)	10,000
The Woodstock Mikvah Limited	10,000
United Talmudical Academy	19,554
United Talmudical Associates Limited	26,000
UTRY Limited	20,000
Sundry donations	13,980
	<u>285,534</u>

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

11. TAXATION

	2017 £	2016 £
Current tax:		
UK current tax expense	-	-
Adjustments in respect of prior periods	176	353
Total current tax	<u>176</u>	<u>353</u>
Deferred tax:		
Origination and reversal of timing differences	(62,666)	27,600
Impact of changes in tax rates	(61,334)	(119,600)
Total deferred tax	<u>(124,000)</u>	<u>(92,000)</u>
Tax on profit	<u>(123,824)</u>	<u>(91,647)</u>

Reconciliation of tax expense

The tax assessed on the net income for the year is lower than the standard rate of corporation tax in the UK of 19.75% (2016: 20%).

	2017 £	2016 £
Net income before tax	<u>1,994,703</u>	<u>1,419,805</u>
Net income by rate of tax	393,953	283,961
Income exempt from tax	(319,478)	(299,657)
Expenses not deductible for tax purposes	60,144	103,088
Adjustment to tax charge in respect of prior periods	176	353
Wear and tear allowance	-	(2,505)
Timing differences on unrealised gains	(197,089)	(57,111)
Impact of changes in tax rates	(61,334)	(119,600)
Other differences	(196)	(176)
Taxation	<u>(123,824)</u>	<u>(91,647)</u>

Factors that may affect future tax charges

A reduction in the UK corporation tax rate to 19% (effective from 1 April 2017) was substantively enacted on 18 November 2015. A further reduction in the UK corporation tax rate to 17% (effective from 1 April 2020) was substantively enacted on 15 September 2016.

The deferred tax liability at 30 June 2017 has been calculated based on a rate of 17% (2016: 18%).

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

12. NET INCOME

Net income is stated after charging/(crediting):

	2017	2016
	£	£
Fees payable for the audit of the financial statements	<u>22,320</u>	<u>22,200</u>

Additional professional fees payable to the auditors aggregate £4,780 (2016: £7,180).

13. STAFF COSTS

The average headcount of employees, including trustees during the year was nil (2016: nil).

No employee received employee benefits of more than £60,000 during the year (2016: nil).

14. TRUSTEE REMUNERATION AND EXPENSES

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

The charity did not meet any individual expenses incurred by the trustees for services provided to the charity.

15. NET MOVEMENT IN FUNDS

Of the net movement in funds of the group, a surplus of £1,015,617 (2016: £1,417,976) has been dealt with in the statement of financial activities of the charity itself.

Turnover of the charity aggregated £1,617,611 (2016: £1,498,287) and comprised £1,482,500 (2016: £1,394,000) of donations received from subsidiary undertakings and £135,111 (2016: £104,287) of investment income.

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

16. INVESTMENTS

Group	Freehold/ Leasehold investment property £	Unlisted investment* £	Unlisted investment at cost £	Total £
Fair value/cost				
At 1 July 2016	16,168,593	5,940,192	849,002	22,957,787
Additions	-	-	767,417	767,417
Revaluation	-	680,624	-	680,624
At 30 June 2017	16,168,593	6,620,816	1,616,419	24,405,828
At 30 June 2016	16,168,593	5,940,192	849,002	22,957,787
Historical cost at 30 June 2017	4,617,399	5,726,820	1,616,419	11,960,638

Charity	Freehold/ Leasehold investment property £	Shares in group undertakings £	Unlisted investment* £	Unlisted investment at cost £	Total £
Fair value/cost					
At 1 July 2016	471,450	13,096,000	5,581,987	849,002	19,998,439
Additions	-	-	-	767,417	767,417
Revaluation	-	(982,000)	684,531	-	(297,469)
At 30 June 2017	471,450	12,114,000	6,266,518	1,616,419	20,468,387
At 30 June 2016	471,450	13,096,000	5,581,987	849,002	19,998,439
Historical cost at 30 June 2017	27,803	102	5,400,000	1,616,419	7,044,324

Investment properties held at valuation

Freehold and leasehold investment property is included in the financial statements at trustees' valuation.

Valuation techniques and key inputs of investment properties

The group's/charity's residential apartment were valued using a sales valuation approach, derived from recent comparable transactions in the market, adjusted by applying discounts to reflect status of occupation and condition.

The group's commercial units were valued using the income capitalisation method, requiring the application of an appropriate market based yield to net operating income. Adjustments are made to allow for voids when less than five years are left under the current tenancy and to reflect market rent at the point of lease expiry or rent review.

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

16. INVESTMENTS (Continued)

Valuation techniques of unlisted investment

*Unlisted investments have been professionally valued at the Balance Sheet date by the investment managers at Old Mutual International.

17. INVESTMENT ENTITIES

The charity owns directly the entire issued ordinary share capital of the following companies, all of which are incorporated in Great Britain and registered in England and Wales.

	Company Number
Spiritville Investments Limited	1241065
Heysarbor Investments Limited	0702850

The registered address of all subsidiary undertakings is New Burlington House, 1075 Finchley Road, London, NW11 0PU.

All the subsidiary undertakings carry on the business of property investment and the financial statements of all subsidiary undertakings are made up annually to 30 June.

The market value at 30 June 2017 of investment in subsidiary undertakings is based on the underlying value of assets less liabilities of the subsidiary undertakings. The valuation of the subsidiaries have been made by the trustees of this charity, based upon the latest Financial Statements of Spiritville Investments Limited and Heysarbor Investments Limited for the year ended 30 June 2017.

The aggregate assets, liabilities, capital and reserves for the subsidiaries as at 30 June 2017 were as follows:

	Spiritville Investments Limited £	Heysarbour Investments Limited £
Fixed assets	10,600,943	5,450,498
Current assets	4,936,892	4,102,995
Current liabilities	(1,076,239)	(2,173,466)
Long term liabilities	(5,447,789)	(3,299,842)
Provisions	(644,000)	(336,000)
Net assets	<u>8,369,807</u>	<u>3,744,185</u>
Aggregate capital and reserves	<u>8,369,807</u>	<u>3,744,185</u>

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

17. INVESTMENT ENTITIES (Continued)

A summary of turnover, expenditure and profit/(loss) for the year ended 30 June 2017 is as follows:

	Spiritville Investments Limited £	Heysarbour Investments Limited £
Turnover	865,662	471,553
Cost of sales	(88,340)	(41,839)
Administrative expenses	(914,078)	(587,335)
Net valuation loss on fixed asset investment	-	(3,907)
Profit on disposal of investment property	260,780	126,880
Interest receivable and similar income	233,253	248,147
Interest payable and similar charges	(356,755)	(216,935)
Tax	89,847	33,977
Profit for the financial year	<u>90,369</u>	<u>30,541</u>

18. DEBTORS

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Trade debtors	223,004	210,887	4,072	5,104
Loan debtors	6,184,457	7,083,903	170,795	220,000
Prepayments and accrued income	559,550	553,478	1,510,780	1,213,800
	<u>6,967,011</u>	<u>7,848,268</u>	<u>1,685,647</u>	<u>1,438,904</u>

Loan debtors in respect of the group and charity include amounts due from companies, certain directors of which are also trustees or related to the directors of companies within this group as follows:

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Lesbridge Estates Limited	170,000	220,000	170,000	220,000
Bitochon Limited	1,200,000	1,200,000	-	-
Maida Vale Investments Limited	1,706,568	2,556,809	-	-
Daylon Hungry KFT	<u>2,041,796</u>	<u>2,041,796</u>	<u>-</u>	<u>-</u>

The above loans are interest bearing.

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

18. DEBTORS (Continued)

Loan debtors of the group and charity include amounts of £2,211,796 (2016: £5,166,534) and £170,000 (2016: £Nil) respectively falling due after more than one year.

19. CREDITORS: amounts falling due within one year

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Bank loans and overdrafts	214,830	201,953	-	-
Taxation and social security	17,372	18,755	-	-
Accruals and deferred income	240,931	273,894	21,274	21,968
Loan creditors	-	250,795	-	795
Other creditors	3,353	3,353	576	576
	<u>476,486</u>	<u>748,750</u>	<u>21,850</u>	<u>23,339</u>

Loan creditors in respect of the group and charity relates to an amount due to Callalot Investment Co Limited, certain directors of which are also directors or related to directors of companies within this group.

20. CREDITORS: amounts falling due after more than one year

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Bank loans and overdrafts	<u>8,747,631</u>	<u>8,962,462</u>	<u>-</u>	<u>-</u>

The bank loans and overdrafts is secured by legal charges over certain of the group's investment properties which are included in the Financial Statements in the amount of £13,178,000 (2016: £13,178,000).

Included within creditors falling due more than one year is an amount of £7,888,311 (2016: £8,154,650) in respect of liabilities which fall due for payment after more than five years from the balance sheet date. The loan is subject to interest at the rate of 6.04% to 6.23%.

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

21. DEFERRED INCOME

	2017 £	2016 £
At 1 July 2016	93,208	93,552
Amount released to income	(93,208)	(93,552)
Amount deferred in year	94,922	93,208
At 30 June 2017	<u>94,922</u>	<u>93,208</u>

Deferred income arises from rents received in advance.

22. PROVISIONS

Deferred tax:

	Group £	Charity £
At 1 July 2016	1,104,000	-
Credit for the year	(124,000)	-
At 30 June 2017	<u>980,000</u>	<u>-</u>

The deferred tax account consists of the tax effect of timing differences in respect of fair value adjustment to investment property and unlisted investment. There are no deferred tax provisions for the charity; it is exempt from tax due to its charitable status on the basis that all income and gains are applied solely for qualifying charitable purposes.

23. ANALYSIS OF CHARITABLE FUNDS

Unrestricted Funds

Group	At 1 July 2016 £	Income £	Expenditure £	Gains and losses £	At 30 June 2017 £
General funds	<u>21,392,861</u>	<u>1,954,226</u>	<u>(903,983)</u>	<u>1,068,284</u>	<u>23,511,388</u>

Charity	At 1 July 2016 £	Income £	Expenditure £	Gains and losses £	At 30 June 2017 £
General funds	<u>22,495,779</u>	<u>1,617,611</u>	<u>(304,525)</u>	<u>(297,469)</u>	<u>23,511,396</u>

General funds of the group at 30 June 2017 include £11,465,190 unrealised profits which are not available for distribution.

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

23. ANALYSIS OF CHARITABLE FUNDS (Continued)

General funds of the charity at 30 June 2017 include £13,424,063 unrealised profits which are not available for distribution.

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Group		Charity	
	Unrestricted Funds	Total Funds 2017	Unrestricted Funds	Total Funds 2017
	£	£	£	£
Investments	24,405,828	24,405,828	20,468,387	20,468,387
Current assets	9,309,677	9,309,677	3,064,859	3,064,859
Creditors less than 1 year	(476,486)	(476,486)	(21,850)	(21,850)
Creditors greater than 1 year	(8,747,631)	(8,747,631)	-	-
Provisions	(980,000)	(980,000)	-	-
Net assets	<u>23,511,388</u>	<u>23,511,388</u>	<u>23,511,396</u>	<u>23,511,396</u>

25. FINANCIAL INSTRUMENTS

The carrying amount for each category of financial instrument is as follows:

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Financial assets measured at fair value through income and expenditure	<u>6,620,816</u>	<u>5,940,192</u>	<u>18,380,518</u>	<u>18,677,987</u>
Financial assets that are equity instruments measured at cost less impairment	<u>1,616,419</u>	<u>849,002</u>	<u>1,616,419</u>	<u>849,002</u>
Financial assets that are debt instruments measured at amortised cost	<u>9,309,677</u>	<u>9,250,286</u>	<u>3,064,859</u>	<u>2,520,679</u>
Financial liabilities measured at amortised cost	<u>9,224,117</u>	<u>9,711,212</u>	<u>21,850</u>	<u>23,339</u>

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

26. OPERATING LEASE COMMITMENTS

As lessor

The total future minimum lease payments receivable under non-cancellable operating lease are as follows:

	Group		Charity	
	2017	2016	2017	2016
	£	£	£	£
Not later than 1 year	938,831	1,038,440	6,711	6,711
Later than 1 year and not later than 5 years	1,737,505	2,387,705	7,500	7,500
Later than 5 years	1,725,962	1,951,979	122,360	124,233
	<u>4,402,298</u>	<u>5,378,124</u>	<u>136,571</u>	<u>138,444</u>

27. RELATED PARTY TRANSACTIONS

Loan interest receivable includes amounts received from connected parties and companies under common control of trustees of this charity as follows:

	2017	2016
	£	£
Lesbridge Estates Limited	9,709	9,900
Bitochon Limited	96,000	96,000
Maida Vale Investments Limited	177,043	192,981
Daylon Hungry KFT	<u>122,508</u>	<u>122,508</u>

Details of transactions with other related parties are disclosed in note 18 and 19.

28. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017	2016
	£	£
Cash at bank and in hand	2,342,666	1,402,018
Bank overdrafts	-	-
	<u>2,342,666</u>	<u>1,402,018</u>

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

29. TRANSITION TO FRS 102

These are the first financial statements that comply with FRS 102. The charity transitioned to FRS 102 on 1 July 2015.

Reconciliation of retained funds

Group

	1 July 2015			30 June 2016		
	As previously stated £	Effect of transition £	FRS 102 (as restated) £	As previously stated £	Effect of transition £	FRS 102 (as restated) £
Fixed assets	17,345,874	5,096,200	22,442,074	17,861,587	5,096,200	22,957,787
Current assets	9,838,077	(1,547,866)	8,290,211	10,798,152	(1,547,866)	9,250,286
Creditors less than 1 year	(490,462)	-	(490,462)	(748,750)	-	(748,750)
Net current assets	9,347,615	(1,547,866)	7,799,749	10,049,402	(1,547,866)	8,501,536
Total assets less current liabilities	26,693,489	3,548,334	30,241,823	27,910,989	3,548,334	31,459,323
Creditors more than 1 year	(9,164,414)	-	(9,164,414)	(8,962,462)	-	(8,962,462)
Provisions	-	(1,196,000)	(1,196,000)	-	(1,104,000)	(1,104,000)
Net assets	17,529,075	2,352,334	19,881,409	18,948,527	2,444,334	21,392,861
Charitable funds	9,679,554	10,201,855	19,881,409	10,732,295	10,660,566	21,392,861
Revaluation reserve	7,849,521	(7,849,521)	-	8,216,232	(8,216,232)	-
Funds of the charity	17,529,075	2,352,334	19,881,409	18,948,527	2,444,334	21,392,861

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

29. TRANSITION TO FRS 102 (Continued)

Reconciliation of retained funds

Charity

	1 July 2015			30 June 2016		
	As previously stated £	Effect of transition £	FRS 102 (as restated) £	As previously stated £	Effect of transition £	FRS 102 (as restated) £
Fixed assets	19,471,938	-	19,471,938	19,998,439	-	19,998,439
Current assets	1,629,955	-	1,629,955	2,520,679	-	2,520,679
Creditors less than 1 year	(24,090)	-	(24,090)	(23,339)	-	(23,339)
Net current assets	1,605,865	-	1,605,865	2,497,340	-	2,497,340
Total assets less current liabilities	21,077,803	-	21,077,803	22,495,779	-	22,495,779
Net assets	21,077,803	-	21,077,803	22,495,779	-	22,495,779
Charitable funds	7,733,770	13,344,033	21,077,803	8,774,247	13,721,532	22,495,779
Revaluation reserve	13,344,033	(13,344,033)	-	13,721,532	(13,721,532)	-
Funds of the charity	21,077,803	-	21,077,803	22,495,779	-	22,495,779

Reconciliation of net income or expenditure for the year

Group

	Year ended 31 March 2016		
	As previously stated £	Effect of transition £	FRS 102 (as restated) £
Income and endowments	1,989,268	(58,220)	1,931,048
Expenditure	(1,268,952)	92,000	(1,176,952)
Net gains on investments	699,136	58,220	757,356
Net income	1,419,452	92,000	1,511,452

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

29. TRANSITION TO FRS 102 (Continued)

The following were changes in accounting policy arising from transition to FRS 102:

(i) Investment property

Previously some of the group's property was categorised as trading property, shown in the balance sheet as stock within current assets, at the lower of cost and net realisable value. Under FRS 102 this property falls to be categorised as investment property within fixed assets and is held at fair value, with changes in fair value being recorded in the income and expenditure account.

Previously, the group's investment property was held at market value, with aggregate surplus or deficit being recorded in the revaluation reserve (within unrestricted funds), with the exception of permanent diminutions in value which were written off through the income and expenditure account. Under FRS 102, this property is held at fair value, with changes in fair value being recorded in the income and expenditure account.

(ii) Unlisted investment

Previously, the group's unlisted investment was held at market value, with aggregate surplus or deficit being recorded in the revaluation reserve (within unrestricted funds), with the exception of permanent diminutions in value which were written off through the income and expenditure account. Under FRS 102, this unlisted investment is held at fair value, with changes in fair value being recorded in the income and expenditure account.

(iii) Shares in group undertakings

Previously, the charity's shares in group undertakings were held at market value, with aggregate surplus or deficit being recorded in the revaluation reserve (within unrestricted funds), with the exception of permanent diminutions in value which were written off through the income and expenditure account. Under FRS 102, these shares are held at fair value, with changes in fair value being recorded in the income and expenditure account.

(iv) Deferred tax on unrealised gains and losses on investment property and unlisted investment

Previously, no deferred tax was recognised on timing differences between the accounting and tax treatment of the revaluation of the group's investment property and unlisted investment. Under FRS 102, deferred tax is recognised on the difference between the cost for tax purposes and the fair value of the group's investment property and unlisted investment, with movements recorded in the income and expenditure account.

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)

MANAGEMENT INFORMATION
FOR THE YEAR ENDED 30 JUNE 2017

**The following page does not form part of the statutory financial statements
which are the subject of the independent auditor's report on pages 6 to 9**

FRANKGIVING LIMITED
(COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2017

THIS DOES NOT FORM PART OF THE FINANCIAL STATEMENTS

	2017		2016	
	Unrestricted Funds		Unrestricted Funds	
	£	£	£	£
Income and endowments				
Donations and legacies		1,482,500		1,394,000
Investment income		135,111		104,287
Total income		<u>1,617,611</u>		<u>1,498,287</u>
Expenditure				
Expenditure on raising funds:				
Investment management costs		(7,665)		(3,124)
Expenditure on charitable activities		<u>(296,860)</u>		<u>(511,531)</u>
Total expenditure		<u>(304,525)</u>		<u>(514,655)</u>
Net (loss)/gains on investments:				
Gains on revaluation of investment property		-		270,000
(Loss)/Gains on revaluation of investments in group undertakings		(982,000)		11,000
Gains on revaluation of unlisted investment		684,531		96,499
Gains on disposal of investment property		<u>-</u>		<u>56,845</u>
		<u>(297,469)</u>		<u>434,344</u>
Net income and net movement in funds		<u>1,015,617</u>		<u>1,417,976</u>
Reconciliation of funds:				
Total funds brought forward		<u>22,495,779</u>		<u>21,077,803</u>
Total funds carried forward		<u><u>23,511,396</u></u>		<u><u>22,495,779</u></u>