

Charity Registration No. 1168183

Company Registration No. 10068253 (England and Wales)

**THE FELIX PROJECT**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

**THE FELIX PROJECT  
(A COMPANY LIMITED BY GUARANTEE)  
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***FOR THE YEAR ENDED 31 DECEMBER 2018***

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**THE FELIX PROJECT  
(A COMPANY LIMITED BY GUARANTEE)  
TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT)**

***FOR THE YEAR ENDED 31 DECEMBER 2018***

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The Trustees present their report and financial statements for the year ended 31 December 2018.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities".

**REPORT OF THE TRUSTEES**

**INTRODUCTION**

The Felix Project is a London-based UK charity set up in 2016 by entrepreneur, Justin Byam Shaw and others.

We rescue good food that cannot be sold and would otherwise go to waste. This is high-quality and nutritious, including a high proportion of fresh fruit and vegetables, baked goods, salads, meat and fish. We collect or receive food from supermarkets, wholesalers, farms, restaurants and delis.

We sort and then deliver this food to charities that cook meals and prepare food parcels for vulnerable people and to primary schools to distribute to children and their families.

In the short time since our first collections and deliveries in 2016, The Felix Project has received extraordinary support in London that at the end of 2018 we rescued and redistributed the equivalent of  $\geq 3.5$ m meals per year. In 2019 we aim to grow and develop our operations to the equivalent of  $\geq 6.5$ m meals per year. There is no doubt that our simple solution of countering food poverty by addressing food waste resonates with our donors, partners, suppliers and volunteers.

We have designed our operations and invested in chiller equipment so we can rescue a high proportion of fresh, high quality food, which provides the sort of nutrition that food banks cannot.

We estimate that the front-line charities and primary schools we supply are providing services for more than 95,000 adults and children each week. Many of these organisations are small charities which function on a financial knife-edge. They rely on us for dependable supply, free of charge, to feed people who are often severely malnourished and in desperate need.

While we are proud of what we have achieved, we are only too painfully aware that much more help is needed for Londoners who struggle to eat every day.

We have a waiting list of charities, primary schools and holiday clubs needing food and the latest estimates from research we have commissioned indicate that The Felix Project supplies only about 2% of the total number of meals needed to alleviate food poverty in London. The scale and intensity of this need underpins our determination to sustain our commitments to the charities we serve and to increase the volume of food that we collect and deliver so we can help feed more adults and children in need.

At the same time our food industry generates 100,000 tonnes of edible food waste each year which could be rescued by The Felix Project and other charities. We are seeing an increasing focus on this problem, and the environmental damage it creates, from our food industry partners and government and we are passionate about the opportunity we have to play a much larger role in the solution.

The Felix Project saw significant growth across all operational measures in 2018 and we introduced a new service for children and families; our Schools Programme now delivers food to primary schools and holiday

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***FOR THE YEAR ENDED 31 DECEMBER 2018***

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clubs. Both income and expenditure increased to facilitate expansion and we increased the size of our staff team and volunteer force.

Working with a leading firm of management consultants on a *pro-bono* basis, we are now planning for further expansion of our operations, in particular to meet the needs of some of the most disadvantaged communities in London.

Our 2019 goals are to:

- increase efficiency in order to maximise the volume of food we redistribute from our existing infrastructure so we can increase the amount of food to more charities
- to meet our target of delivering food to 120 primary schools
- to recruit for the key role of head of operations and to increase the skills and specialisation in our fund-raising team
- to increase our volunteer numbers in line with our growth plans.

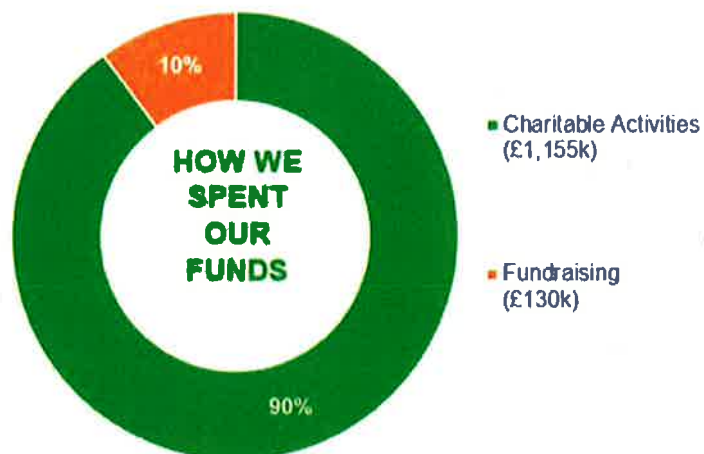
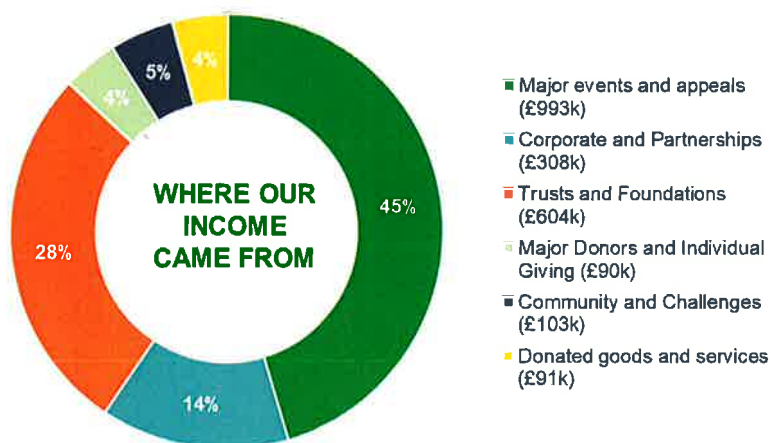
**THE FELIX PROJECT  
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TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT)**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

**FINANCIAL REVIEW**

Income in 2018 was £2.19m, an increase of 34% (2017: £1.6m). Expenditure was £1.29m (2017: £0.7m), resulting in a surplus of £0.9m (2017: £0.9m) and a balance sheet value of £2.2m (2017: £1.3m). Our operating surplus over two years has enabled us to build our reserves and to invest in growth.

**SUMMARY OF INCOME AND EXPENDITURE**



**THE FELIX PROJECT  
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TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT)**

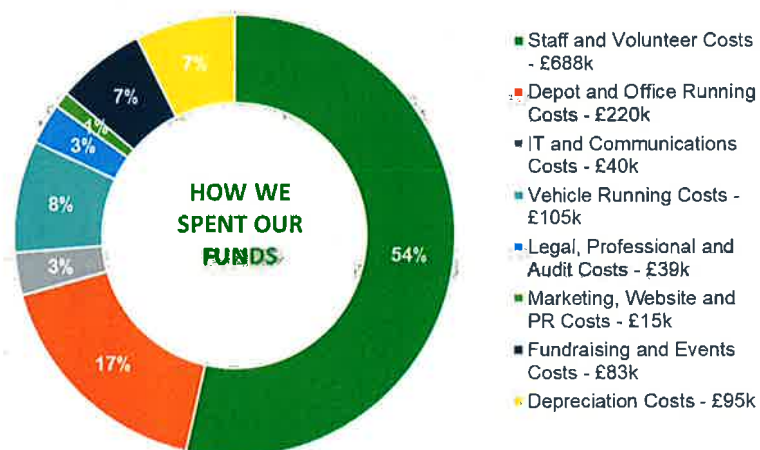
**FOR THE YEAR ENDED 31 DECEMBER 2018**

Expenditure grew in 2018 from £0.7m to £1.29m. This represents a number of key investments to ensure we can sustain growth. Key expenditure items in 2018 included:

- Increase in the staff team from 12 to 16 at the end of 2018.
- Depot move in Park Royal to a larger building, which is better equipped and suited to our needs.
- Development of Enfield depot to enable more effective operations.
- Investment in IT systems and software to support operations, administration and fundraising.
- Training of staff and volunteers.
- Increase in number of vans from 11 to 19.

We strive to keep our costs low whilst delivering a high-quality service, maximising the funds donated and, where possible and appropriate, using volunteer and donated services.

**Expenditure 2018**



**THE FELIX PROJECT  
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TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT)**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

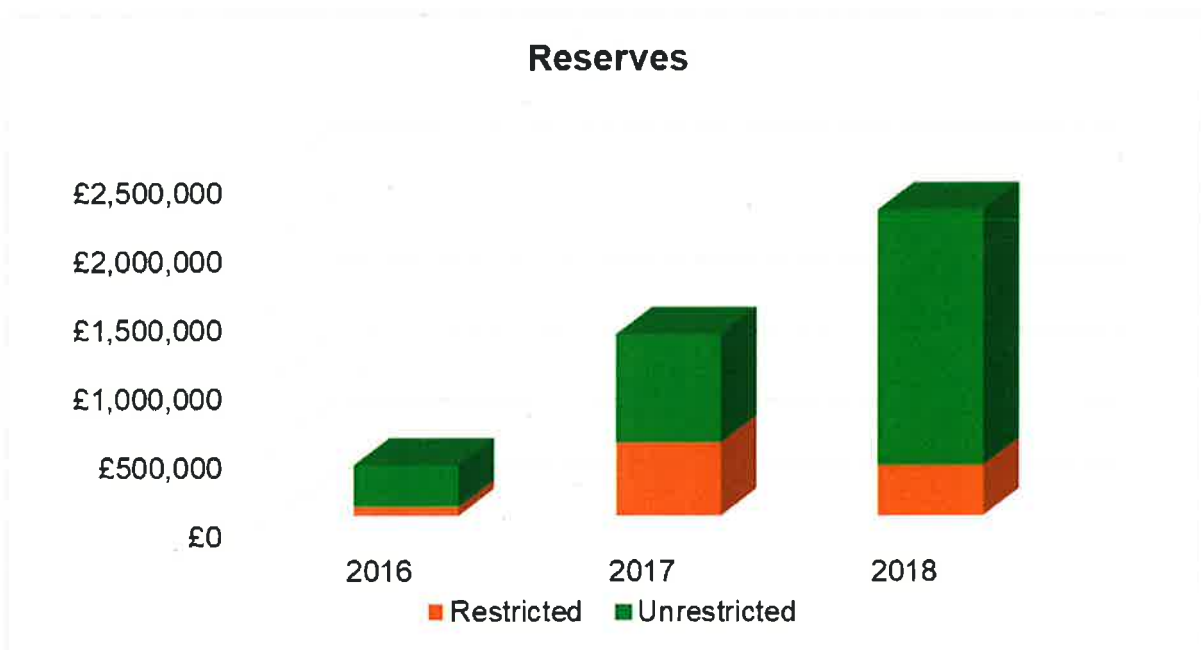
**RESERVES**

As a new charity in a challenging fundraising climate, it is important that we are able to guarantee continuity of service to our charity beneficiaries, many of which are facing funding issues, dealing with small budgets and vulnerable clients, and to ensure we are able to cover our financial operating commitments including staffing and lease costs.

In order to achieve this the following reserves policy has been adopted.

**Reserves Policy**

The Trustees have determined that, in order to ensure sufficient funds to cover any fluctuations in revenue or unforeseen increases in costs, the level of free reserves should be kept at a minimum of 9 months' budgeted expenditure. Based on 2019 budgets, the level of reserves to be held is £1,257k. At December 2018, free reserves stood at £1,494k, which represents 10 months' budgeted expenditure.





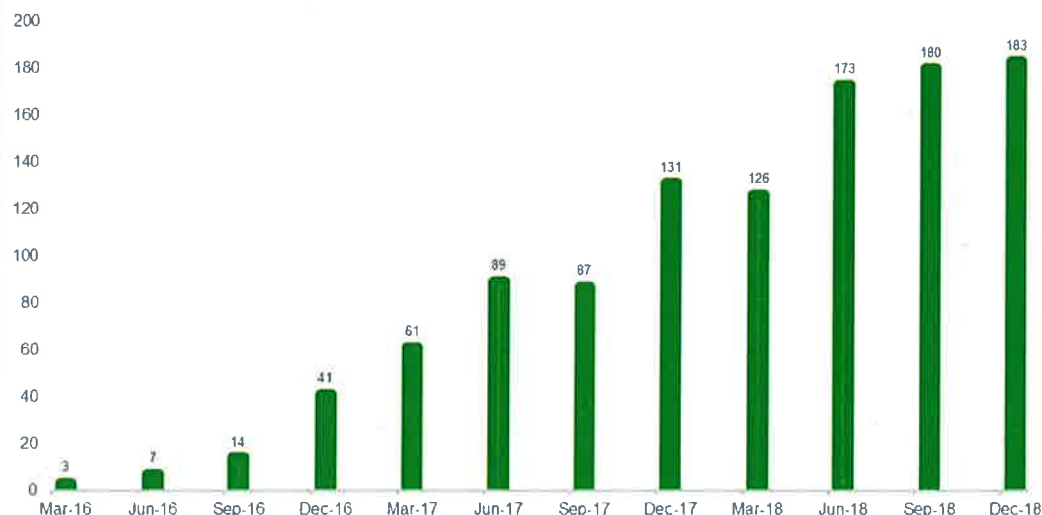




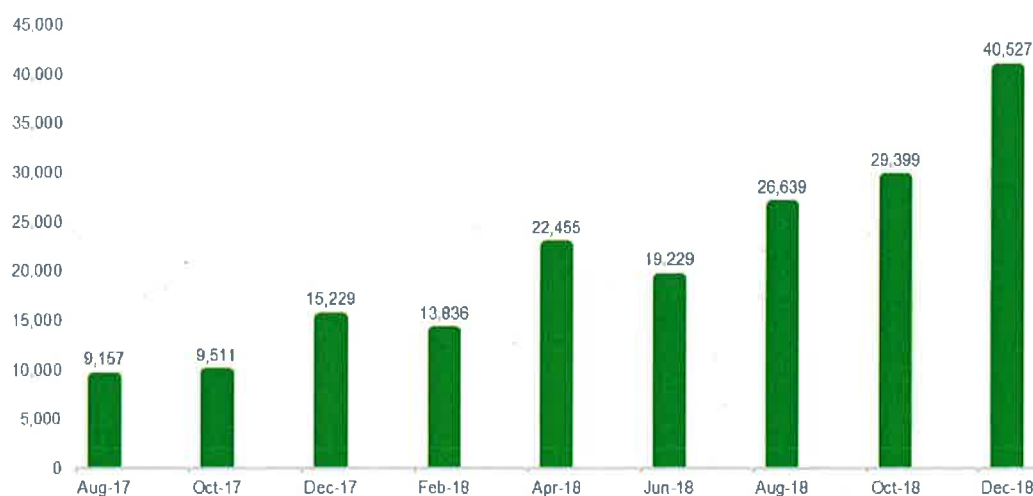
**THE FELIX PROJECT  
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TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT)**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

**SUPPLIERS 2016 - 2018**



**WEIGHT COLLECTED PER WEEK (KG)  
2017 - 2018**



**CHARITIES**

We support charities delivering a wide range of services. They create community, promote social inclusion and provide a variety of vital support services to people in need. Our service reaches a diverse group in terms of age, ethnicity and religion. Over 50% of the charities we deliver to support homeless people. In addition, our food reaches refugees, disadvantaged young people, people living with mental illness and the elderly.

By the end of 2018, we were delivering food to 233 charities and 42 schools.

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TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT)**

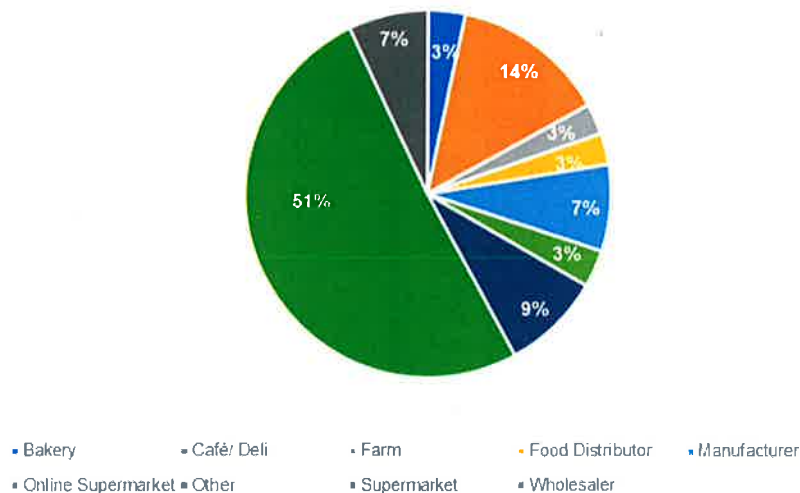
**FOR THE YEAR ENDED 31 DECEMBER 2018**

**SUPPLIERS**

We have benefited from the support of many partners and suppliers for food supply, for which we are very thankful. Suppliers all donate surplus food to us free of charge.

By the end of 2018 we had more than 150 suppliers which donate food that cannot be sold and would otherwise go to waste. This is high-quality food from supermarkets, wholesalers, farms, restaurants and delis, which includes a high proportion of fresh fruit and vegetables, baked goods, salads, meat and fish. We help suppliers deliver their corporate responsibility objectives and identify where surplus food has been going to waste which could be saved and donated to us.

**Type of Supplier**



We aim to continue to increase the proportion of food coming from 'upstream' sources in the supply chain. For example, direct from farms, from wholesalers and from the distribution hubs of supermarket chains. The benefit of this is the greater time it will give us to manage our own stock levels as we will receive food with a longer life before it has to be consumed.

Because of investment in chiller vans and chiller units in depots, we now have the ability to handle safely greater quantities of meat, fish and poultry, which is in demand and enormously needed by the charities we deliver it to.

**OUR STAFF**

Investment in the staff team was important in 2018. A number of new management roles were put in place including the Heads of Finance, Fundraising and Operations, all of which, along with the CEO, form the Senior Management Team. Additionally, new fundraising, operations and administrative staff were recruited to support our growth. The average number of staff grew from 8 to 13 in 2018 with a total FTE of 17 at the end of the year.

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TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT)**

***FOR THE YEAR ENDED 31 DECEMBER 2018***

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**VOLUNTEERS**

Volunteers are at the forefront of what we do at The Felix Project. In 2018 we increased active volunteer numbers from 200 to 425.

We simply couldn't achieve the results we do without volunteers' generous commitment of time, skills and energy. They are crucial to the operation of our depots, where they work as drivers, co-drivers and warehouse assistants, and to our Central London Evening Service, where volunteers collect and deliver food in electric vans, on foot and on cycles at lunchtime and after work.

Volunteers help us with fundraising, marketing and promotion, book-keeping, administration, social media, bucket collections and on our stalls at food festivals and other events where we raise awareness of our work and recruit new volunteers.

We work hard to build a happy and rewarding environment for our volunteers. This includes organising social events and providing valuable experience and training as a means for people to gain skills. We invite feedback from volunteers about their shifts and through volunteer forums and surveys which show that volunteering with us makes a difference to hundreds of people from all ages and all walks of life.

Corporate volunteering is important to us and gives employers an opportunity to engage staff in a positive teambuilding experience with a difference.

We would like to take this opportunity to thank our biggest corporate volunteering partners; ING, LetterOne, Renault and Temasek as well as the staff from the Mandarin Oriental Hotel, who spent the summer volunteering with us following a fire in June 2018, a vital time as they boosted our volunteer numbers during the holiday period.

Volunteer trustees Sophie Ejsmond (appointed December 2017) and John Richardson (appointed July 2018) bring the voice of volunteers to the boardroom. They volunteer regularly themselves and get valuable input from the Volunteer Advisory Group which launched in September 2018 with volunteer representatives from each of our operations. We hired a volunteer coordinator in April 2018, who took on responsibility for increasing volunteer numbers, volunteer training and continuous improvement of a formal volunteer programme.

The Trustees would like to express their gratitude for the time, skills and dedication of all our volunteers.

**THE FELIX PROJECT  
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TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT)**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

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**IMPACT**

**Monitoring and measuring our impact**

- We aim to reduce avoidable, edible food waste. We measure by weight how much food we are collecting and delivering. We track how many suppliers and charities we work with.
- Our primary aim is to reduce food poverty. We survey our charities and schools by telephone and face-to-face interviews. This helps us understand how our rescued food makes a difference to vulnerable people across London.
- We aim to improve well-being. By providing a high proportion of nutritious food, we are contributing to improved access to healthy food; many of these charities also provide hot food and opportunities for the community to socialise with each other, reducing loneliness. By auditing our charities and schools we can see how the quality of thousands of people's lives each week is improved.
- We aim to build a sense of community for our own volunteers. By surveying our volunteers, we can see how working with The Felix Project makes a difference to hundreds of people from all walks of life.
- We aim to make a financial difference to charities and primary schools and particularly small charities operating on extremely small budgets. Our food is delivered free of charge giving many of these charities and schools the opportunity to direct their funds in other ways and make their money go further.
- We aim to develop workplace skills for a diverse community through our volunteering schemes and intern programmes. We provide valuable experience and training for people who are not currently in employment, education or training as a means for local people to gain skills, socialise and connect.

**OUR WIDER IMPACT**

Our rapid growth is evidence of our ability to be a key part of the solution to reducing food poverty sustainably. The following points are additional evidence of our success in tackling the issue of food poverty on an ongoing basis:

- We were instrumental in the discussions about food waste/food poverty that directly led to the Department for Environment, Food & Rural Affairs (Defra) pilot grant of £5m to "unlock" more surplus food from the food industry and make it available to people in food poverty.
- In Autumn 2018 we accepted an invitation to be part of the "End Hunger UK" consortium, that lobbies government and raises public awareness of the topic of food poverty. End Hunger UK's campaign to persuade the Government to develop a regular measurement of food poverty in February was a major coup in putting this topic on the Government's agenda going forward.

Our work over the past 3 years has made us one of the major players in the food re-distribution charity sector. Awareness of our work and impact is high, both within the food industry and among the public (particularly in London). Our reputation is enabling us to have an increasing voice in raising awareness and developing solutions to deal with the injustice of food poverty.

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TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT)**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

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**REFERENCE AND ADMINISTRATIVE INFORMATION**

The Charity is a company limited by guarantee (registered with Companies House under number 10068253) and registered with the Charity Commission under number 1168183.

**TRUSTEES**

The Trustees, who are also the directors for the purpose of company law were:

	<b>Date Appointed</b>	<b>Date Resigned</b>
Justin Byam Shaw (Deputy Chair)	17 March 2016	
Michael Millership	17 March 2016	
Vanni Treves (Chair)	11 October 2017	
Francesco Vanni d'Archirafi	11 October 2017	
Jane Byam Shaw	13 December 2017	
Sophie Ejsmond	13 December 2017	
David Hudd	13 December 2017	
John Richardson	1 July 2018	
Julian Wakeham	5 February 2019	

**Finance Committee**

Justin Byam Shaw (Committee Chair up to July 2019)  
Michael Millership  
Julian Wakeham (Committee Chair from August 2019)  
Hilary Croft (CEO) (to April 2019)  
Mark Curtin (CEO) (from July 2019)

**Fundraising Committee**

Jane Byam Shaw (Committee Chair)  
Justin Byam Shaw  
Hilary Croft (CEO) (to April 2019)  
Mark Curtin (CEO) (from July 2019)

**Registered office**      Unit 6 Kendal Court  
Kendal Avenue  
Park Royal  
London  
W3 0RU

**Auditor**                HW Fisher  
Acre House  
11-15 William Road  
London  
United Kingdom  
NW1 3ER

**THE FELIX PROJECT  
(A COMPANY LIMITED BY GUARANTEE)  
TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT)**

***FOR THE YEAR ENDED 31 DECEMBER 2018***

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The organisation is a charitable company limited by guarantee, incorporated in the UK and registered as a charity. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed by its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

**Governance**

In accordance with the Articles of Association, Trustees are appointed to the Board by resolution of the Trustees. Appointments are normally for terms of three years, with re-election for one further term of three years permitted. Trustees may be elected to serve for further terms, but only after one year has elapsed since retirement, or where the Board considers it would be in the best interests of the Charity for a particular Trustee to be eligible for re-election on retirement after two consecutive terms.

Prior to appointment, a prospective Trustee is invited to attend a meeting of the Board, as an observer, before confirming his or her willingness, or otherwise, to stand for election. Once appointed, each new Trustee is issued with copies of the Charity's governing document, the latest financial statements and the Charity Commission's publication "The Essential Trustee: what you need to know". The Chief Executive Officer also offers an induction meeting with each new Trustee shortly after appointment.

Given the nature of the Charity's work, the Trustees seek to maintain a broad range of skills on the Board. Essential skills in business, finance and fundraising are represented on the Board, as well as experience of volunteering; a number of Trustees volunteer regularly and two Trustees are appointed to represent the volunteer workforce.

In their professional lives, some Trustees have received training in relevant areas, such as corporate governance and finance, and some are also experienced charity trustees with relevant training from other organisations on whose boards they serve. Additional training is provided as required.

All Trustees give their time voluntarily and have received no benefits from the Charity. No personal expenses were reclaimed from the Charity during the period.

**THE FELIX PROJECT  
(A COMPANY LIMITED BY GUARANTEE)  
TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT)**

***FOR THE YEAR ENDED 31 DECEMBER 2018***

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**Management**

The Trustees are responsible for the strategic direction and policy of The Felix Project and met 5 times in 2018. Responsibility for the day-to-day management of the Charity's operations and delivery of its services were delegated to the Chief Executive Officer, Ms Hilary Croft. The Chief Executive Officer managed the senior leadership team in 2018, which comprised the Head of Finance and Head of Fundraising. Ms Hilary Croft left The Felix Project in April 2019 and the new CEO, Mark Curtin joined in July 2019. During the period from April to July 2019 the management of the charity was undertaken by the Senior Leadership Team and the trustees.

It is essential for the success of The Felix Project (and therefore in the best interests of its beneficiaries) that its key management personnel offer an appropriate blend of skills and experience, in-depth knowledge and experience of distribution, business development and operational growth, acquired through having worked extensively in relevant sectors. In setting the remuneration of the Chief Executive Officer, the Trustees' policy is to balance remuneration levels of chief executive officers of London-based charities of equivalent size and complexity, with those of chief executive officers/senior leaders from relevant industry sectors.

The Felix Project is an independent entity which had no subsidiaries in 2018. In February 2019 the wholly-owned trading subsidiary, The Felix Project Trading Company Limited was created for the purpose of managing trading activity only. Any profits made in the trading subsidiary will be donated in full to The Felix Project. No staff will be employed by the trading subsidiary.

**THE FELIX PROJECT  
(A COMPANY LIMITED BY GUARANTEE)  
TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT)**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

**RISK MANAGEMENT**

The Trustees are accountable for the strategic management of risks faced by the Charity, delegating responsibility for the day-to-day management and mitigation of identified risks to the Executive Leadership Team, which formally reports regularly to the Trustees and brings to their attention any significant increases in risks, should they arise. Whilst it is accepted that the Charity's risk management strategies cannot offer absolute assurance against all forms of loss or damage, the Trustees are satisfied that the measures deployed mitigate exposure to the most significant risks to the Charity. The Trustees review the Charity's risks regularly to identify new and additional risks and to implement of measure to mitigate risks. They are satisfied that systems are in place to mitigate exposure to all major risks.

A long term strategic planning exercise is planned for 2019 where the Executive Leadership Team and Board will redefine the charity management strategy. Until such time that this us undertake the primary strategic risks and mitigating actions are categorised as follows:

<b>Risk</b>	<b>Risk Assessment</b>	<b>Risk Mitigation Approaches</b>
Loss of or significant reduction in operational capacity or capability due to loss, damage or theft, including assets, staff and / or volunteers.	Low to medium	<ol style="list-style-type: none"> <li>1. Operational planning and procedures</li> <li>2. Health &amp; Safety Policies and Procedures</li> <li>3. Staff &amp; Volunteer recruitment and retention strategies.</li> <li>4. Asset management &amp; maintenance procedures</li> <li>5. Insurances</li> <li>6. Business disruption &amp; continuity plans (including technology risk management &amp; protection approaches).</li> </ol>
Significant or critical loss of income	Low	<ol style="list-style-type: none"> <li>1. Professional Charity Fundraising Team</li> <li>2. Reserves Policy</li> <li>3. Financial Governance and Management Procedures (including forecasting and income pipeline management)</li> <li>4. Scalable (including down) business model with non-critical elements.</li> </ol>
Significant or critical damage to charity reputation or brand through inappropriate actions or representations from any of its key people.	Low	<ol style="list-style-type: none"> <li>1. Recruitment, vetting and onboarding procedures of all people</li> <li>2. PR Risk management strategies</li> <li>3. Pro-Bono legal support in place</li> <li>4. Policies, procedures and other general governance practices</li> </ol>
Critical governance or compliance breeches	Low	<ol style="list-style-type: none"> <li>1. Robust governance and performance management policies and practices in place.</li> <li>2. Pro-bono legal advice</li> <li>3. Other professional services (e.g. Data Privacy or Fundraising Regulatory)</li> </ol>

**THE FELIX PROJECT  
(A COMPANY LIMITED BY GUARANTEE)  
TRUSTEES' REPORT (CONTINUED) (INCLUDING DIRECTORS' REPORT)**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

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**INVESTMENT POLICY**

The Charity had no investments in 2018.

**RELATED PARTIES**

In 2018 there were no issues of conflicts of interest or inappropriate appointments of related parties.


**DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

**AUDITORS**

HW Fisher have indicated their willingness to act as auditors to the Charity and, in accordance with the provisions of the Companies Act 2006, it is proposed that they be re-appointed auditors for the ensuing year.

On behalf of the board of Trustees



.....  
**Mr Justin Byam Shaw**  
Trustee

Dated: 24.9.19

**THE FELIX PROJECT  
(A COMPANY LIMITED BY GUARANTEE)  
STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 DECEMBER 2018***

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The trustees, who are also the directors of The Felix Project for the purpose 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 trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

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

The trustees are responsible for keeping adequate accounting records that 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.





**THE FELIX PROJECT  
(A COMPANY LIMITED BY GUARANTEE)  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

**TO THE MEMBERS OF THE FELIX PROJECT**

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**Use of our report**

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



**Andrew Rich (Senior Statutory Auditor)  
for and on behalf of HW Fisher**

**Chartered Accountants  
Statutory Auditor**

Acre House  
11-15 William Road  
London  
NW1 3ER  
United Kingdom

24/9/19



**THE FELIX PROJECT  
(A COMPANY LIMITED BY GUARANTEE)  
BALANCE SHEET**

**AS AT 31 DECEMBER 2018**

			2018	2017
	Notes	£	£ as restated £	£
<b>Fixed assets</b>				
Tangible assets	10		358,562	252,410
<b>Current assets</b>				
Debtors	12	623,989	563,517	
Cash at bank and in hand		1,356,945	575,944	
		<u>1,980,934</u>	<u>1,139,461</u>	
<b>Creditors: amounts falling due within one year</b>	13	<u>(116,758)</u>	<u>(74,072)</u>	
Net current assets			1,864,176	1,065,389
<b>Total assets less current liabilities</b>			<u>2,222,738</u>	<u>1,317,799</u>
<b>Income funds</b>				
Restricted funds	14	370,323		533,502
Unrestricted funds		1,852,415		784,297
		<u>2,222,738</u>		<u>1,317,799</u>

The financial statements were approved by the Trustees on 24.9.19

Mr Justin Byam Shaw  
Trustee

Company Registration No. 10068253

**THE FELIX PROJECT  
(A COMPANY LIMITED BY GUARANTEE)  
STATEMENT OF CASH FLOWS**

**AS AT 31 DECEMBER 2018**

<b>Cash flows from operating activities</b>		<b>2018</b>	<b>2017</b>
		<b>£</b>	<b>£</b>
Net cash provided by operating activities	A	980,445	500,072
Cashflows from investing activities			
Purchase of tangible fixed assets		(201,367)	(203,296)
Disposal of fixed asset		554	-
Bank interest		1,369	5,584
Change in cash and cash equivalents in the year		781,001	302,360
Cash and cash equivalents at 1 January 2018		575,944	273,584
Cash and cash equivalents at 31 December 2018		<u>1,356,945</u>	<u>575,944</u>

**A - Reconciliation of net movement in funds to net cash provided by (used in) operating activities**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Net movement in funds (as per the statement of financial activities)	904,939	950,072
Adjustments for:		
Depreciation charge	94,661	38,129
(Increase) in debtors	(60,472)	(553,017)
Increase in creditors	42,686	70,472
Bank interest	(1,369)	(5,584)
<b>Net cash provided by operating activities</b>	<b><u>980,445</u></b>	<b><u>500,072</u></b>





**THE FELIX PROJECT  
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

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

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

**1.10 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.11 Retirement benefits**

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

**1.12 Prior year adjustments**

In the prior year financial statements the charity's income was incorrectly presented due to the omission of income which should have been accrued. This resulted in income and accrued income being understated by £437,102. The income related to Streetsmart (£210,000), the Fayre of St James (£201,015) and other smaller fundraising (£26,087) which took place in 2017 but which the money was not received until 2018.

**1.13 Critical accounting estimates**

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

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

There were no critical accounting estimates or judgements made in the year.







**THE FELIX PROJECT  
(A COMPANY LIMITED BY GUARANTEE)  
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2018**

**10 Tangible Fixed Assets**

	Depot costs	Vehicles	IT equipment and software	Equipment and machinery	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 January 2018	-	238,106	12,873	47,200	298,179
Additions	52,920	113,040	3,950	31,457	201,367
Disposals	-	-	(830)	-	(830)
At 31 December 2018	52,920	351,146	15,993	78,657	498,716
<b>Depreciation</b>					
At 1 January 2018	-	39,088	1,236	5,445	45,769
Depreciation charge for the year	2,442	77,895	3,190	11,134	94,661
Disposals	-	-	(276)	-	(276)
At 31 December 2018	2,442	116,983	4,150	16,579	140,154
<b>Net Book Value</b>					
At 31 December 2018	50,478	234,163	11,843	62,078	358,562
At 31 December 2017	-	199,018	11,637	41,755	252,410





