

THE WAVENDON FOUNDATION
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

THE WAVENDON FOUNDATION

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THE WAVENDON FOUNDATION
REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

CHARITY REGISTRATION NUMBER 1082126

TRUSTEES Richard Mann (Chair)
Gordon Silver (Treasurer – to 3 December 2020)
Laurence Holden (Treasurer – from 13 January 2021)
Marcus Blake
Kenneth Chaproniere
Alec Dankworth
Kevin Whately

LIFE PRESIDENT Dame Cleo Laine DBE

PRINCIPAL ADDRESS 83 Ducie Street
Manchester
M1 2JQ

INDEPENDENT EXAMINER Hickeson Boyce
68a High Street
Stony Stratford
Milton Keynes
MK11 1AQ

BANKERS National Westminster Bank Plc
Milton Keynes (A) Branch
501 Silbury Boulevard
Saxon Gate East
Milton Keynes
MK9 3ER

MetroBank plc
One Southampton Row
London
WC1B 5HA

INVESTMENT ADVISORS PB Financial Planning
Tennyson House
Cambridge Business Park
Cambridge
CB4 0WZ

Investec Wealth & Management
30 Gresham Street
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THE WAVENDON FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2021

The trustees present their report with the financial statements of the charity for the year ended 30 September 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Objects of the Foundation

The Wavendon Foundation is constituted under a Trust Deed dated 1 May 2000 (as amended by a supplemental deed dated 3 August 2000) and is a registered charity — Registration No. 1082126. The principal object of the Charity is to raise funds to benefit persons engaged in the performing arts and in the education of the public through the performing arts, whether as registered charities, corporate bodies or individuals. The principal fund-raising vehicle employed by the Charity is return from investing.

The Wavendon Foundation seeks to have regard to public benefit by making financial awards within the performing arts available to all. The Foundation carries out its activities with due regard for the Charity Commission guidance on public benefit.

Organisational structure

The trustees who have served during the year are set out under the section "Trustees" on page 2. The trustees met quarterly during 2020/21.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE

The sale of the land gifted to the Wavendon Foundation by Sir John and Lady Dankworth enabled the Trust to establish an investment portfolio which funds the provision of financial awards and the running of the Foundation, in support of its charitable aims.

Each quarter, the trustees review the financial position of the Foundation and consider the relative merits of the funding applications. Awards are made within the funding available in line with the Foundation's investment policy.

In the year, 27 financial awards were made. Fifteen were to organisations such as: The National Youth Jazz Orchestra, The Musicians Company, Black Lives in Music and CHUMS. The remainder were to individuals with donations varying between £1,000 and £2,000 to support their studies or specific projects they were engaged in. In total, the amounts donated were £22,000 to individuals and £23,500 to organisations (2020 - £8,500 to individuals and £31,370 to organisations).

RISK MANAGEMENT

The trustees have identified the risks to which the Charity is exposed and have implemented procedures to mitigate those risks.

The principal risk to the Charity is considered to be volatility in capital value of its investments and the returns therefrom. This is mitigated by diversifying the investment portfolio in a professionally managed investment portfolio on a medium risk basis. The availability of funds for grant giving is assessed against projections of annual income from the fund to support preservation of the capital.

THE WAVENDON FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

FINANCIAL REVIEW

With the final tranche from the land sale being received in November 2019, the Foundation's investment portfolio is now fully established.

The gross income of the Foundation, including realised and unrealised investment gains for the year was £328,825 (2020 negative - £135,876), resulting in a surplus for the year before donations made of £302,228 (2020 deficit - £160,600). The net gain on investments for the year at the Balance Sheet date was £292,074 (2020 loss £162,801).

Financial awards given as grants in the year were £45,500 (2020 - £39,870) resulting in a net surplus for the year of £256,728 (2020 - loss £200,470).

When aggregated with unrestricted reserves brought forward of £2,015,242, unrestricted reserves carried forward are £2,271,970.

Investment Performance

Whilst the impact of the COVID-19 pandemic on the financial markets caused a significantly adverse fluctuation in the value of the charity's investments in 2020, the portfolio made a strong recovery in the year now being reported. At the Balance Sheet date, the portfolio showed a net return of 15.89% over the 12 months from 30 September 2020. Since then, the latest available valuation as at 30 June 2022 shows a current market value of £2,292,978, delivering a net return of 4.09% over the 12 months from 30 June 2021.

Given the current uncertainties with inflation, interest rates and energy costs in particular, the trustees continue to maintain close communication with the investment managers to monitor movements in value and thus levels of income arising, and to determine the value of grants that the Foundation is able to make.

FUTURE PLANS

The Foundation intends to continue making available financial awards to engage and educate in the performing arts as described above.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulation 2008 and the provisions of the trust deed. 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.

Approved by order of the board of trustees on 18 January 2023 and signed on its behalf by:

Laurence J Holden B.Mus, MSc, CPFA
Trustee and Hon.Treasurer

THE WAVENDON FOUNDATION
INDEPENDENT EXAMINERS' REPORT TO THE TRUSTEES OF
THE WAVENDON FOUNDATION
FOR THE YEAR ENDED 30 SEPTEMBER 2021

I report to the charity trustees on my examination of the accounts of the charity for the year ended 30 September 2021 which are set out on pages 6 to 15.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

N Boyce FCCA

Hickeson Boyce
68a High Street
Stony Stratford
Milton Keynes
MK11 1AQ

Date: 10 February 2023

THE WAVENDON FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Note	unrestricted 2021 £	unrestricted 2020 £
INCOME FROM:			
Investment income	2	36,751	26,925
Total		36,751	26,925
EXPENDITURE ON:			
Raising funds	3	20,591	19,811
Charitable activities:			
Grants	5/6	45,500	39,870
Other	7/8	6,006	4,913
Total		72,097	64,594
NET (EXPENDITURE) BEFORE GAINS		(35,346)	(37,669)
Net (losses) / gains on investments		292,074	(162,801)
NET (EXPENDITURE) / INCOME BEING NET MOVEMENT ON FUNDS		256,728	(200,470)
RECONCILIATION OF FUNDS			
Total funds brought forward		2,015,242	2,215,712
TOTAL FUNDS CARRIED FORWARD		2,271,970	2,015,242

All income and expenditure has arisen from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes to the accounts are shown on pages 9 to 15.

THE WAVENDON FOUNDATION

CHARITY REGISTRATION NUMBER: 1082126

BALANCE SHEET

AS AT 30 SEPTEMBER 2021

	Notes	2021	2020
		£	£
Investments			
Fixed investments	10	2,264,199	1,988,971
		2,264,199	1,988,971
CURRENT ASSETS			
Debtors	11	-	-
Prepayments and accrued income	11	1,166	1,054
Cash at bank		9,245	26,626
		10,411	27,680
CREDITORS			
Amounts falling due within one year	12	(2,640)	(1,409)
NET CURRENT ASSETS		7,771	26,271
TOTAL ASSETS LESS CURRENT			
LIABILITIES		2,271,970	2,015,242
NET ASSETS		2,271,970	2,015,242
FUNDS			
Unrestricted funds		2,271,970	2,015,242
TOTAL FUNDS		2,271,970	2,015,242

The financial statements were approved by the Board of Trustees on 18 January 2023 and signed on its behalf by:

Laurence J Holden B.Mus, MSc, CPFA
Trustee and Hon.Treasurer

The notes on page 9 to 15 form part of these accounts.

THE WAVENDON FOUNDATION

CASHFLOW STATEMENT AS AT 30 SEPTEMBER 2021

	Notes	2021	2020
Cash Flows from Operating Activities		£	£
Net cash provided by operating activities	14	(70,978)	642,676
Cash Flows from Investing Activities			
Dividends and interest from investments		36,746	26,885
Bank interest		5	40
Proceeds on sale of tangible fixed assets			
Proceeds on sale on investments		421,048	913,393
Purchase of investments		(442,273)	(1,584,969)
Net Cash Flows from Investing Activities		15,526	(644,651)
Change in cash and cash equivalents in the year		(55,452)	(1,975)
Cash and Cash equivalents brought forward		84,375	86,350
Cash and cash equivalents carried forward	15	28,923	84,375

Analysis of changes in net debt:

	At start of the year	Cashflows	Other non-cash changes	At end of the year
Cash	26,626	(17,381)	-	9,245
Cash within the investment portfolio	57,749	(38,071)	-	19,678
	84,375	(55,452)	-	28,923

THE WAVENDON FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a. Basis of preparation

The financial statements of the Charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention in pound sterling which is the functional currency of the Charity.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

b. Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. As such, they continue to adopt the going concern basis of accounts in preparing the financial statements.

c. Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity, which is normally upon notification of the interest paid or payable by the bank. Dividends and income from Government Securities are recognised when it is received.

d. Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

THE WAVENDON FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

e. Taxation

The Trust is a registered charity and is exempt from corporate taxes to the extent of operating within its charitable objectives. Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

f. Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

g. Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the bid price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year as disclosed in note 10.

The Trust does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

h. Debtors

Sundry debtors are recognised at the settlement amount due. Prepayments are valued at the amount repaid net of any trade discounts due.

i. Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

j. Creditors

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

THE WAVENDON FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

k. Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Fixed assets are recorded at depreciated historical cost and all other assets and liabilities are recorded at cost which is their fair value with exception of investments which are recorded at their fair value based on market rate as shown in note 10.

l. Accounting estimates

There are no significant accounting estimates at the year end date (2020 none).

2. INVESTMENT INCOME

	2021 £	2020 £
Bank account interest	5	40
Interest on investments	-	86
Dividend	36,746	26,799
	<hr/>	<hr/>
	36,751	26,925
	<hr/>	<hr/>

3. RAISING FUNDS

	2021 £	2020 £
Total costs in relation to land sale	-	830
Investment manager fees	20,591	18,981
	<hr/>	<hr/>
	20,591	19,811
	<hr/>	<hr/>

4. TRUSTEES' REMUNERATION AND BENEFITS

No remuneration or other benefits were paid to trustees for the year ended 30 September 2021 nor for the year ended 30 September 2020.

No expenses were paid for the year ended 30 September 2021 nor for the year ended 30 September 2020.

THE WAVENDON FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

5. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct costs	Support costs	Total
	2021 £	2021 £ (note 7)	2021 £
Engaging and educating in performing arts	45,500	6,006	51,506
	£	No.	
Grants to individuals	22,000	12	
Grants to institutions	23,500	15	
	45,500	27	

Further details of grants made to institutions are included within the Trustees' Report on page 3.

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct costs	Support costs	Total
	2020 £	2020 £ (note 8)	2020 £
Engaging and educating in performing arts	39,870	4,913	44,783
	£	No.	
Grants to individuals	8,500	5	
Grants to institutions	31,370	13	
	39,870	18	

THE WAVENDON FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

7. SUPPORT COSTS — CURRENT YEAR

	Governance	Other	Total
	2021	2021	2021
	£	£	£
Independent examination fees	1,590	-	1,590
Rent	-	-	-
Administrative assistant	-	2,256	2,256
Office expenses	-	737	737
Website costs	-	108	108
Bank charges	-	-	-
Insurance	-	1,115	1,115
Charitable Donation	-	200	200
Total	1,590	4,416	6,006

8. SUPPORT COSTS — PRIOR YEAR

	Governance	Other	Total
	2020	2020	2020
	£	£	£
Independent examination fees	1,038	-	1,038
Rent	-	-	-
Administrative assistant	-	2,034	2,034
Office expenses	-	777	777
Website costs	-	378	378
Bank charges	-	25	25
Insurance	-	661	661
Total	1,038	3,875	4,913

9. STAFF COSTS

No wages or salaries were paid in 2021 or 2020.

THE WAVENDON FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

10. INVESTMENTS

	2021 £	2020 £
Investments at market value comprise:		
At 1 October 2020	1,988,971	1,468,868
Additions	442,273	1,584,969
Disposal proceeds	(421,048)	(913,393)
(Loss) / gain on investments	259,074	(162,801)
Cash movement	(5,071)	11,328
At 30 September 2021	2,264,199	1,988,971
Cost of investments	2,105,361	2,082,287
Investments are allotted to each range as follows:		
Fixed interest	503,344	384,179
Equities	1,209,020	1,114,408
Other	532,157	432,635
Cash	19,678	57,749
	2,264,199	1,988,971

11. DEBTORS

	2021 £	2020 £
Prepayments	1,166	1,054
Other debtors	-	-
	1,166	1,054

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	-	45
Other creditors	-	-
Accruals	2,640	1,364
	2,640	1,409

THE WAVENDON FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

13. RELATED PARTY DISCLOSURES

There were no related party transactions in the year ended 30 September 2021. In 2020 there was one: a grant of £2,000 was made to the National Youth Jazz Orchestra Limited, a company connected by one of the Trustees, Mr Gordon Silver.

14. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net Income	256,728	(200,470)
Adjusted for:		
Loss / (gain) on investments	(292,074)	162,801
(Increase) / Decrease in debtors	(112)	714,572
(Decrease) / Increase in creditors	1,231	(7,302)
Dividends and interest from investments	(36,746)	(26,885)
Bank interest	(5)	(40)
Net cash provided by operating activities	(70,978)	642,676

15. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021	2020
	£	£
Cash at bank	9,245	26,626
Cash in investment portfolio (note 10)	19,678	57,749
Total	28,923	84,375