

**THE WAVENDON FOUNDATION**  
**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

# **THE WAVENDON FOUNDATION**

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# THE WAVENDON FOUNDATION

## REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 30 SEPTEMBER 2022

CHARITY REGISTRATION NUMBER 1082126

TRUSTEES	Richard Mann (Chair) Laurence Holden (Treasurer) Marcus Blake Kenneth Chaproniere Alec Dankworth Kevin Whately
LIFE PRESIDENT	Dame Cleo Laine DBE
PRINCIPAL ADDRESS	83 Ducie Street Manchester M1 2JQ
INDEPENDENT EXAMINER	N Boyce FCCA 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 London EC2V 7QP

# **THE WAVENDON FOUNDATION**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 30 SEPTEMBER 2022**

The trustees present their report with the financial statements of the charity for the year ended 30 September 2022. 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 2021/22.

#### **REVIEW OF ACHIEVEMENTS AND PERFORMANCE**

The sale of land gifted to the 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 applications for support. Awards are made within the funding available in line with the Foundation's investment policy. Whilst it is rarely possible to make awards to all applicants, the trustees endeavor to maximise the number of awards each quarter.

In the year, 31 financial awards were made. Eighteen were to organisations such as: Opera Festival Scotland, The National Youth Jazz Orchestra, Total Insight Theatre and the Gallions Music Trust. The remainder were to individuals with donations varying between £400 and £1,500 to support their studies or specific projects they were engaged in. In total, the amounts donated were £16,400 to individuals and £20,250 to organisations (2021 - £22,000 to individuals and £23,500 to organisations).

#### **RISK MANAGEMENT**

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

The principal risk to the Charity is considered to be volatility in the 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 Charity has also made changes to its online presence to increase its resilience to cyber threat.

# **THE WAVENDON FOUNDATION**

## **TRUSTEES' REPORT (CONTINUED)**

### **FOR THE YEAR ENDED 30 SEPTEMBER 2022**

#### **FINANCIAL REVIEW**

The gross income of the Foundation, including realised and unrealised investment gains for the year was £42,071 (2021 £328,825), resulting in a surplus for the year before donations made of £13,695 (2021 £302,228). The net gain on investments for the year at the Balance Sheet date was £1,593 (2021 £292,074).

Financial awards given as grants in the year were £36,650 (2021 - £45,500) resulting in a net loss for the year of £22,955 (2021 surplus £256,728).

When aggregated with unrestricted reserves brought forward of £2,271,970, unrestricted reserves carried forward are £2,249,015.

#### **Investment Performance**

Following the strong recovery in the value of the Charity's investments in 2021 post Covid, performance in the year now being reported was impacted by economic volatility in domestic and international markets. At the Balance Sheet date, the portfolio showed a net return of 1.1% over the 12 months from 30 September 2021. Since then, the latest available valuation as at 31 December 2022 shows a current market value of £2,290,798, delivering a net return of 0.75% over the 12 months from 31 December 2021.

Given ongoing uncertainties with inflation, interest rates and energy costs in particular, the trustees 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 in accordance with its charitable purposes.

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 July 2023 and signed on its behalf by:

Richard Mann – Trustee and Chair

# **THE WAVENDON FOUNDATION**

## **INDEPENDENT EXAMINERS' REPORT TO THE TRUSTEES OF THE WAVENDON FOUNDATION FOR THE YEAR ENDED 30 SEPTEMBER 2022**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 30 September 2022 which are set out on pages 6 to 14.

### **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: 27 July 2023

# THE WAVENDON FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Note	unrestricted 2022 £	unrestricted 2021 £
<b>INCOME FROM:</b>			
Investment income	2	40,478	36,751
<b>Total</b>		<b>40,478</b>	<b>36,751</b>
<b>EXPENDITURE ON:</b>			
Raising funds	3	21,739	20,591
Charitable activities:			
Grants	5/6	36,650	45,500
Other	7/8	6,637	6,006
<b>Total</b>		<b>65,026</b>	<b>72,097</b>
<b>NET (EXPENDITURE) BEFORE GAINS</b>		<b>(24,548)</b>	<b>(35,346)</b>
Net (losses) / gains on investments		1,593	292,074
<b>NET (EXPENDITURE) / INCOME BEING NET MOVEMENT ON FUNDS</b>		<b>(22,955)</b>	<b>256,728</b>
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward		2,271,970	2,015,242
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>2,249,015</b>	<b>2,271,970</b>

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 14.

**THE WAVENDON FOUNDATION**  
**CHARITY REGISTRATION NUMBER: 1082126**  
**BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2022**

	Note	2022 £	2021 £
<b>FIXED ASSETS</b>			
<b>Investments</b>			
Fixed investments	10	2,237,580	2,264,199
		<b>2,237,580</b>	<b>2,264,199</b>
<b>CURRENT ASSETS</b>			
Debtors	11	-	-
Prepayments and accrued income	11	734	1,166
Cash at bank		13,489	9,245
		<b>14,223</b>	<b>10,411</b>
<b>CREDITORS</b>			
Amounts falling due within one year	12	(2,788)	(2,640)
<b>NET CURRENT ASSETS</b>		<b>11,435</b>	<b>7,771</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>2,249,015</b>	<b>2,271,970</b>
<b>NET ASSETS</b>		<b>2,249,015</b>	<b>2,271,970</b>
<b>FUNDS</b>			
Unrestricted funds		<b>2,249,015</b>	<b>2,271,970</b>
<b>TOTAL FUNDS</b>		<b>2,249,015</b>	<b>2,271,970</b>

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

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

The notes on page 9 to 14 form part of these accounts.



# THE WAVENDON FOUNDATION

## CASHFLOW STATEMENT AS AT 30 SEPTEMBER 2022

	Notes	2022 £	2021 £
<b>Cash Flows from Operating Activities</b>			
Net cash provided by operating activities	14	(64,446)	(70,978)
<b>Cash Flows from Investing Activities</b>			
Dividends and interest from investments		40,477	36,746
Bank interest		1	5
Proceeds on sale on investments		1,010,714	421,048
Purchase of investments		(874,063)	(442,273)
<b>Net Cash Flows from Investing Activities</b>		177,129	15,526
<b>Change in cash and cash equivalents in the year</b>		112,683	(55,452)
<b>Cash and Cash equivalents brought forward</b>		28,923	84,375
<b>Cash and cash equivalents carried forward</b>	15	<b>141,606</b>	<b>28,923</b>

### Analysis of changes in net debt:

	At start of the year	Cashflows	Other non-cash changes	At end of the year
Cash	9,245	4,244	-	13,489
Cash within the investment portfolio	19,678	108,439	-	128,117
	28,923	112,683	-	141,606

# THE WAVENDON FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 SEPTEMBER 2022

#### 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 on 16 July 2014 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 costs 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.

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.

# THE WAVENDON FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

### **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 11.

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.

### **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 the exception of investments which are recorded at their fair value based on market rate as shown in note 11.

### **l. Accounting estimates**

There are no significant accounting estimates at the year end date (2021 none).

# THE WAVENDON FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 2. INVESTMENT INCOME

	2022 £	2021 £
Bank account interest	1	5
Interest on investments	46	-
Dividend	40,431	36,746
	<hr/> 40,478	<hr/> 36,751
	<hr/> <hr/>	<hr/> <hr/>

### 3. RAISING FUNDS

	2022 £	2021 £
Total costs in relation to land sale	-	-
Investment manager fees	21,739	20,591
	<hr/> 21,739	<hr/> 20,591
	<hr/> <hr/>	<hr/> <hr/>

### 4. TRUSTEES' REMUNERATION AND BENEFITS

No remuneration or other benefits were paid to trustees for the year ended 30 September 2022 nor for the year ended 30 September 2021.

No expenses were paid for the year ended 30 September 2022 nor for the year ended 30 September 2021.

### 5. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct costs	Support costs	Total
	2022 £	2022 £ (note 7)	2022 £
Engaging and educating in performing arts	36,650	6,637	43,287
	<hr/> £	<hr/> No.	
Grants to individuals	16,400	13	
Grants to institutions	20,250	18	
	<hr/> 36,650	<hr/> 31	
	<hr/> <hr/>	<hr/> <hr/>	

Three grants included in the tables above, totaling £3,500, were made to institutions in Scotland, and one of £500 to an institution in Northern Ireland. The remainder were to individuals and institutions in England.

# THE WAVENDON FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct costs	Support costs	Total
	2021 £	2021 £ (note 8)	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	

Two grants included in the tables above, totaling £4,000, were made to one individual and one institution in Scotland. The remainder were to individuals and institutions in England.

### 7. SUPPORT COSTS — CURRENT YEAR

	Governance	Other	Total
	2022 £	2022 £	2022 £
Independent examination fees	1,798	-	1,798
Rent	-	-	-
Administrative assistant	-	2,745	2,745
Office expenses	-	800	800
Website costs	-	90	90
Bank charges	-	-	-
Insurance	-	1,204	1,204
<b>Total</b>	<b>1,798</b>	<b>4,839</b>	<b>6,637</b>

### 8. SUPPORT COSTS — PRIOR 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
<b>Total</b>	<b>1,590</b>	<b>4,416</b>	<b>6,006</b>

# THE WAVENDON FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 9. STAFF COSTS

No wages or salaries were paid in 2022 or 2021.

### 10. INVESTMENTS

	2022 £	2021 £
Investments at market value comprise:		
At 1 October 2021	2,264,199	1,988,971
Additions	874,063	442,273
Disposal proceeds	(1,010,714)	(421,048)
(Loss) / gain on investments	(45,357)	259,074
Cash movement	155,389	(5,071)
At 30 September 2022	2,237,580	2,264,199
Cost of investments	2,190,446	2,105,361
Investments are allotted to each range as follows:		
Fixed interest	396,859	503,344
Equities	1,085,939	1,209,020
Other	626,665	532,157
Cash	128,117	19,678
	2,237,580	2,264,199

### 11. DEBTORS

	2022 £	2021 £
Prepayments	734	1,166
Other debtors	-	-
	734	1,166

### 12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	-	-
Other creditors	-	-
Accruals	2,788	2,640
	2,788	2,640

# THE WAVENDON FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2022

### 13. RELATED PARTY DISCLOSURES

There were no related party transactions in the year ended 30 September 2022, nor in the year ended 30 September 2021.

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

	2022	2021
	£	£
Net Income	(22,955)	256,728
<b>Adjusted for:</b>		
Loss / (gain) on investments	(1,593)	(292,074)
(Increase) / Decrease in debtors	432	(112)
(Decrease) / Increase in creditors	148	1,231
Dividends and interest from investments	(40,477)	(36,746)
Bank interest	(1)	(5)
Net cash provided by operating activities	(64,446)	(70,978)

### 15. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2022	2021
	£	£
Cash at bank	13,489	9,245
Cash in investment portfolio (note 10)	128,117	19,678
Total	141,606	28,923