

THE REECE FOUNDATION

England & Wales · Charity number 1121325

Details

Status	Registered
Legal form	Charitable company
Company number	06361547
Registered	2007-10-22
Register	View on the Charity Commission register

Contact

Address	40 Grosvenor Place Newcastle Upon Tyne NE2 2RE
Phone	07772995047
Email	admin@reece-foundation.org
Website	www.reece-foundation.org

Activities

Objects: 3.1.1. SUPPORTING ENGINEERING TEACHING AT CAMBRIDGE AND OTHER UNIVERSITIES IN THE UNITED KINGDOM.3.1.2. SUPPORTING AND ENCOURAGING CHILDREN IN TYNESIDE AND THROUGHOUT THE UNITED KINGDOM TO STUDY MATHEMATICS, PHYSICS AND RELATED SCIENCES AT SCHOOL OR COLLEGE.3.2 TO ADVANCE ENGINEERING RESEARCH FOR THE PUBLIC BENEFIT.3.3 TO ADVANCE EDUCATION IN CO-OWNERSHIP OR PARTNERSHIP WORKING.3.4 SUCH OTHER CHARITABLE PURPOSES AS THE TRUSTEES FROM TIME TO TIME SHALL DETERMINE.

Activities: PROMOTE MANUFACTURING AND SUPPORT OF EDUCATION WITH EMPHASIS IN THE NORTH EAST, PARTICULARLY RELATING TO ENGINEERING MATHS AND PHYSICS BUT ALSO INCLUDING ISSUES AFFECTING THE COUNTRYSIDE AND OTHER LOCAL CHARITIES

Classification

- **How:** Makes Grants To Organisations, Sponsors Or Undertakes Research
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, Arts/culture/heritage/science, Environment/conservation/heritage, Economic/community Development/employment, Other Charitable Purposes
- **Who:** Children/young People, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** NATIONAL
- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£376,441	£1,544,426	-	-
2023-12-31	£308,737	£1,753,090	-	-
2022-12-31	£230,263	£1,052,451	-	-
2021-12-31	£754,872	£2,767,749	£35,206,192	0
2020-12-31	£1,517,039	£1,466,352	£33,348,563	0

Trustees

Name	Role	Appointed
ANNE DOROTHY REECE	Chair	2012-03-15
ELLA CORNISH		2025-10-21
Professor David Roy Sandbach		2018-12-10
SIMON GILROY		
Terence Joseph Courtney		2025-10-21

THE REECE FOUNDATION

England & Wales - Charity number 1121325

Accounts

Registered number: 06361547

Charity number: 1121325

The Reece Foundation

(A company limited by guarantee)

Annual report

31 December 2024

The Reece Foundation
(A company limited by guarantee)

Contents

	Page
Reference and administrative details	1
Trustees' report	2 - 4
Trustees' responsibilities statement	5
Independent auditor's report to the members of The Reece Foundation	6 - 9
Statement of financial activities	10
Balance sheet	11
Notes to the financial statements	12 - 20

The Reece Foundation

(A company limited by guarantee)

Reference and administrative details For the year ended 31 December 2024

Trustees

A D Reece, Chair
E Cornish (appointed 21 October 2025)
T Courtney (appointed 21 October 2025)
S P Gilroy
E Morgan (resigned 17 June 2025)
P E O'Connell (resigned 17 June 2025)
D R Sandbach

Company registered number

06361547

Charity registered number

1121325

Registered office

40 Grosvenor Place
Jesmond
Newcastle upon Tyne
NE2 2RE

Company secretary

A D Reece

Independent auditor

UNW LLP
Chartered Accountants
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

The Reece Foundation

(A company limited by guarantee)

Trustees' report

For the year ended 31 December 2024

The trustees present their annual report together with the audited financial statements of the Foundation for the 1 January 2024 to 31 December 2024. The annual report serves the purposes of both a trustees' report and a directors' report under company law. The trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Foundation qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

Policies and objectives

The primary aim of the Foundation is to award grants to organisations and to directly sponsor activities that will, in the opinion of the trustees, increase the long term and sustainable prosperity of the North East of England primarily through the promotion of engineering and manufacturing. In particular we intend to focus increasingly on the levels and amount of training in engineering related skills throughout the region.

Other projects which, in the opinion of the trustees, are beneficial to the wellbeing of the region, or the country as a whole, particularly those associated with the conservation of wild land may also be supported.

The trustees are aware of the Charity Commission's guidance on public benefit and have regard to it when selecting those projects which receive grant funding.

Achievements and performance

Review of activities

The trustees continued to support many projects that support and encourage young people in the region in their development of engineering and technical skills. This included the support of regional competitions in Vex and Lego robotics. Several schools progressed to national finals for which we provided travel bursary support and 3 local primary schools got to the VEX international finals in USA - for which we also provided travel cost support. This was a fantastic achievement and a wonderful and stimulating experience for all the pupils involved.

Teaching support for Maths and Physics was provided to several secondary schools in the region. The aim is to improve the achievement level in both these subjects in both GCSE and A level and thereby enable more young people to progress to university in technical subjects like Engineering. The region has historically underperformed in these subjects. This is a long term project currently undertaken by the RGS and Westfield schools and impact will be closely monitored.

Other educational projects included the continuing support of Villiers Park tuition and mentoring – again with the aim of helping more pupils to progress to University, as well as continuing funding for schools programmes at Beamish museum, Discovery Museum and Newcastle United Foundation.

Teacher development was funded through both Primary Engineer CPD programmes and Teach First – enabling more teachers in the region to take on further professional training.

The innovative Hadrian's Wall nature recovery project at Northumberland National Park ended successfully with the award of government funding for another 2 years to continue the development of a nature recovery strategy in this iconic landscape. Nature in the City, delivered by Northumberland Wildlife Trust, delivered a series of nature-based activities to urban based schools and community groups.

The Reece Foundation

(A company limited by guarantee)

Trustees' report (continued)

For the year ended 31 December 2024

Achievements and performance (continued)

2024 saw the development of the Ouseburn Way Vision. Bringing together 4 regional partners, Newcastle City Council, North Tyneside Council, Environment Agency and Northumbrian Water, the trustees hope to make a significant impact on the quality of the environment along the valley both ecologically and culturally to develop a unique and stunning regional resource. The Foundation pledged an initial sum of £1 million, and we have spent about £100k of this in the first year. A project manager has been appointed to develop further funding proposals and funding will be sought from other agencies in what is expected to be at least a 10 year programme.

The current priorities are water quality, especially the cessation of sewage discharge into the river, the provision of a walkway and cycle route throughout the valley and the improvement of the ecology of the valley as a wildlife corridor.

The trustees continue to seek ambitious and innovative projects that will enhance the education skills and employment prospects in the region and improve the natural environment for the benefit of all.

Financial review

Review of the year

The Foundation awarded grants of £1,256,278 (2023: £1,509,286) during the year which resulted in a deficit before revaluation of investments of £1,167,985 (2023: £1,444,353). Expenditure is in line with trustees expectations and the intention is that the Foundation distributes its assets over a 10-year period.

Reserves policy

As at 31 December 2024, the Foundation holds reserves of £30,163,662 (2023: £28,437,627). Of these, £28,862,409 (2023: £26,977,968) is invested for the longer term to provide a return for the Foundation in future years, with a further £5,717 (2023: £21,353) held as programme related investments. Remaining total 'free' unrestricted reserves of £1,295,536 (2023: £1,438,306) represent approximately one year of charitable expenditure held as cash, and is therefore not at risk of the fluctuations in investment values. The trustees believe these reserves are sufficient to support grants as they are agreed and other costs as they arise.

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Plans for future periods

During 2025 and beyond the trustees will continue to seek high profile projects within the region that promote education and careers development in STEM subjects and improve the environment and access to green and natural spaces.

The Reece Foundation

(A company limited by guarantee)

Trustees' report (continued)

For the year ended 31 December 2024

Structure, governance and management

Constitution

The Foundation is constituted as a company limited by guarantee and was incorporated on 5 September 2007. It is a registered charity number 1121325. In the event of a winding up, every member who is a trustee, undertakes to contribute to the payment of liabilities such amount as may be required not exceeding the total of £10.

Methods of appointment or election of trustees

New trustees are appointed by existing trustees. They all receive induction to the roles and responsibilities of a trustee and ongoing training based upon their individual needs.

Organisational structure and decision-making policies

All decisions regarding the management of the assets of the Foundation and the awarding of grants are made collectively by the trustees.

Investment policy and performance

The Foundation seeks to maximise its income from its asset base through a mixture of longer term investment in capital markets and short term bank deposits, whilst minimising its exposure to risk. The trustees will keep ongoing investment performance under review.

Risk management

The trustees have assessed the major risks to which the Foundation is exposed and are satisfied that systems and procedures are in place to mitigate those major risks.

The principal risk is considered to be the management and performance of the investment assets, which is mitigated through the use of professional investment managers who report regularly to the trustees.

Disclosure of information to auditor

Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Approved by order of the members of the board of trustees on 29 October 2025 and signed on their behalf by:

Signed by:



8BDA9E0AB1FE426...

A D Reece
(Chair of Trustees)

The Reece Foundation

(A company limited by guarantee)

Statement of trustees' responsibilities For the year ended 31 December 2024

The trustees (who are also the directors of the Foundation 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 trustees to prepare financial statements for each financial. Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Foundation and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation will continue in business.

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



Independent auditor's report to the members of The Reece Foundation

Opinion

We have audited the financial statements of The Reece Foundation (the 'Foundation') for the year ended 31 December 2024 which comprise the statement of financial activities, the balance sheet 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2024 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; and
- 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.



Independent auditor's report to the members of The Reece Foundation (continued)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion 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 financial statements are prepared is consistent with the financial statements.
- 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 our knowledge and understanding of the charitable company 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 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 financial statements are not in agreement with the accounting records and returns; or
- 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.



Independent auditor's report to the members of The Reece Foundation (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

We obtain and update our understanding of the charitable company, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the charitable company is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the 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. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

Based on our understanding of the charitable company, we identified that the principal risks of non-compliance with laws and regulations related to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, pension legislation and UK tax legislation. In addition, the charitable company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines and litigation. We considered the extent to which non-compliance with laws and regulations might have a material effect on the financial statements and we have assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

We also evaluated managements' incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks related to posting inappropriate entries to manipulate financial results and management bias in accounting estimates.

Audit procedures performed by the engagement team included:

- Inquiry of management and those charged with governance regarding actual and potential litigation or claims as well as whether they have knowledge of any actual, suspected or alleged fraud;
- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Reviewing meeting minutes to identify reported frauds and any potential non-compliance with laws and regulations; and
- Challenging assumptions and judgments made by management in their significant accounting estimates and evaluating whether there was any evidence of bias by the directors that represented a risk of material misstatement due to fraud.



Independent auditor's report to the members of The Reece Foundation (continued)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Anne Hallowell

59C7DD6C467F49E...

Anne Hallowell BSc FCA DChA (Senior Statutory Auditor)

For and on behalf of UNW LLP, Statutory Auditor

Chartered Accountants

Newcastle upon Tyne

29 October 2025

The Reece Foundation

(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account) For the year ended 31 December 2024

	Note	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:				
Donations and legacies	2	15,158	15,158	-
Investments	3	361,283	361,283	308,737
Total income		376,441	376,441	308,737
Expenditure on:				
Raising funds	4	188,180	188,180	172,030
Charitable activities	5	1,356,246	1,356,246	1,581,060
Total expenditure		1,544,426	1,544,426	1,753,090
Net expenditure before net gains on investments		(1,167,985)	(1,167,985)	(1,444,353)
Net gains on investments		2,894,020	2,894,020	2,558,403
Net movement in funds		1,726,035	1,726,035	1,114,050
Reconciliation of funds:				
Total funds brought forward		28,437,627	28,437,627	27,323,577
Net movement in funds		1,726,035	1,726,035	1,114,050
Total funds carried forward		30,163,662	30,163,662	28,437,627

The notes on pages 12 to 20 form part of these financial statements.

The Reece Foundation
(A company limited by guarantee)

Balance sheet
As at 31 December 2024

	Note	2024 £	2023 £
Fixed assets			
Investments	8	28,862,409	26,977,968
Programme related investments	9	5,717	21,353
Total investments		28,868,126	26,999,321
Current assets			
Debtors	10	13,481	6,078
Cash at bank and in hand		1,288,929	1,438,397
		1,302,410	1,444,475
Creditors: amounts falling due within one year	11	(6,874)	(6,169)
Net current assets		1,295,536	1,438,306
Total assets less current liabilities		30,163,662	28,437,627
Total net assets		30,163,662	28,437,627
Charity funds			
Unrestricted funds	12	30,163,662	28,437,627
Total funds		30,163,662	28,437,627

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the trustees on 29 October 2025 and signed on their behalf by:

Signed by:

8BDA9E0AB1FE426...

A D Reece

Registered number: 06361547

The notes on pages 12 to 20 form part of these financial statements.

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements For the year ended 31 December 2024

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared in pounds sterling and are rounded to the nearest £1.

1.2 Company status

The Foundation is a company limited by guarantee. The members of the company are the trustees name on page 1. In the event of the Foundation being wound up, the liability in respect of the guarantee is limited to £10 per member of the Foundation.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

1.4 Going concern

The Foundation holds substantial investment assets, but maintains sufficient cash reserves to allow it to meet its ongoing commitments. The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

1.5 Income

All income is recognised once the Foundation has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of the covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements For the year ended 31 December 2024

1. Accounting policies (continued)

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of resources.

Charitable activities include direct costs incurred on the company's grant-making operations and support costs incurred in running the charitable operations.

Expenditure on raising funds includes all expenditure incurred by the Foundation to raise funds for its charitable purposes and includes investment management costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

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

All expenditure is inclusive of irrecoverable VAT.

1.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Foundation; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.8 Pensions

The Foundation operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Foundation to the fund in respect of the year.

1.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Net gains/(losses) on investments' in the statement of financial activities incorporating income and expenditure account.

1.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

The Reece Foundation
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2024

1. Accounting policies (continued)

1.11 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.

1.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Foundation anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.13 Critical accounting measures and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In preparing these financial statements the trustees do not consider there were any significant estimates or areas of judgement that were required in applying the company's accounting policies as set out above.

2. Income from donations and legacies

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations	15,158	15,158	-

The Reece Foundation
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2024

3. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from listed investments	353,644	353,644	305,832
Loan interest	903	903	1,620
Bank interest	6,736	6,736	1,285
	<u>361,283</u>	<u>361,283</u>	<u>308,737</u>
Total 2023	<u>308,737</u>	<u>308,737</u>	

4. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Investment management fees	188,180	188,180	172,030
	<u>172,030</u>	<u>172,030</u>	
Total 2023	<u>172,030</u>	<u>172,030</u>	

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements

For the year ended 31 December 2024

5. Analysis of expenditure by activities

	Grant funding of activities 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Grants awarded (note 6)	1,256,278	94,418	1,350,696	1,567,326
Project costs	5,550	-	5,550	13,734
	<u>1,261,828</u>	<u>94,418</u>	<u>1,356,246</u>	<u>1,581,060</u>
Total 2023	<u>1,523,020</u>	<u>58,040</u>	<u>1,581,060</u>	

Analysis of support costs

	Total funds 2024 £	Total funds 2023 £
Staff costs	36,564	36,566
Sundry expenses	41,972	4,247
Audit and professional fees	7,698	6,685
Website and PR costs	8,184	10,542
	<u>94,418</u>	<u>58,040</u>

The statutory audit fee for the year ended 31 December 2024 is £6,000 (2023: £4,450).

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements

For the year ended 31 December 2024

6. Grants awarded

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Beamish Museum	79,900	79,900	120,000
Creative Hut	-	-	21,510
Discovery Museum	-	-	70,834
Durham University	-	-	20,000
IET Faraday Challenge	33,600	33,600	-
Innovate First International	109,407	109,407	39,981
Kielder Observatory	100,000	100,000	37,500
Maggies Centre, Freeman Hospital	50,000	50,000	50,000
National Literacy Trust	-	-	34,999
National Park	83,000	83,000	-
National Trust	-	-	75,000
Newcastle Eagles	-	-	39,800
Newcastle United Foundation	80,761	80,761	52,699
Newcastle University	54,860	54,860	35,000
Northumberland Wildlife Trust	85,821	85,821	181,410
Ouseburn Farm	25,000	25,000	-
Primary Engineer programme	60,000	60,000	85,000
Royal Zoological Society	-	-	235,000
Royal Grammar School	33,042	33,042	-
Sheffield University	39,000	39,000	-
Small Piece	26,075	26,075	-
Smile for Life	25,000	25,000	-
Success4All	-	-	40,000
The Royal Grammar School	-	-	83,165
University of Sheffield	-	-	34,000
University of Sunderland	-	-	25,000
Villier's Park	73,738	73,738	70,000
Walker School	50,000	50,000	-
Other grants (below £20,000)	247,074	247,074	239,620
Grants from prior years released	-	-	(81,232)
	1,256,278	1,256,278	1,509,286

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements

For the year ended 31 December 2024

7. Staff costs

	2024 £	2023 £
Wages and salaries	35,499	35,501
Contribution to defined contribution pension schemes	1,065	1,065
	<u>36,564</u>	<u>36,566</u>
	2024 No.	2023 No.
Administrative	<u>1</u>	<u>1</u>

No employees received remuneration amounting to more than £60,000 in either year.

8. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2024	26,977,968
Additions	4,206,037
Disposals	(5,602,638)
Revaluations	3,281,042
	<u>28,862,409</u>
At 31 December 2024	
Net book value	
At 31 December 2024	28,862,409
At 31 December 2023	<u>26,977,968</u>

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements

For the year ended 31 December 2024

9. Programme related investments

	Programme related investments £	Total £
Cost		
At 1 January 2024	21,353	21,353
Repayments	(15,636)	(15,636)
At 31 December 2024	5,717	5,717

10. Debtors

	2024 £	2023 £
Due within one year		
Other debtors	-	3,047
Prepayments and accrued income	13,481	3,031
	13,481	6,078

11. Creditors: amounts falling due within one year

	2024 £	2023 £
Other taxation and social security	1,327	-
Accruals and deferred income	5,547	6,169
	6,874	6,169

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements

For the year ended 31 December 2024

12. Statement of funds

Statement of funds - current year

	Balance at 1 January 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2024 £
Unrestricted funds					
General funds	28,437,627	376,441	(1,544,426)	2,894,020	30,163,662
	<u>28,437,627</u>	<u>376,441</u>	<u>(1,544,426)</u>	<u>2,894,020</u>	<u>30,163,662</u>

Statement of funds - prior year

	Balance at 1 January 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2023 £
Unrestricted funds					
General funds	27,323,577	308,737	(1,753,090)	2,558,403	28,437,627
	<u>27,323,577</u>	<u>308,737</u>	<u>(1,753,090)</u>	<u>2,558,403</u>	<u>28,437,627</u>

13. Grant commitments

At 31 December 2024 the trustees had approved in principle grants totalling £3,403,300 (2023: £2,883,400). These amounts have not been accrued within these financial statements as the conditions attached to them have not yet been met, and as such the trustees have not formalised the commitment.

14. Related party transactions

There were no related party transactions in either period.

THE REECE FOUNDATION

England & Wales - Charity number 1121325

Accounts

Registered number: 06361547
Charity number: 1121325

The Reece Foundation
(A company limited by guarantee)
Annual report
31 December 2023

SATURDAY



ADCLHDCA

A11

28/09/2024

#170

COMPANIES HOUSE

The Reece Foundation

(A company limited by guarantee)

Contents

	Page
Reference and administrative details	1
Trustees' report	2 - 4
Trustees' responsibilities statement	5
Independent auditor's report	6 - 9
Statement of financial activities	10
Balance sheet	11
Notes to the financial statements	12 - 20

The Reece Foundation

(A company limited by guarantee)

Reference and administrative details For the year ended 31 December 2023

Trustees

A D Reece, Chair
S P Gilroy
E Morgan
J Reece (resigned 23 February 2023)
D R Sandbach
P E O'Connell

Company registered number

06361547

Charity registered number

1121325

Registered office

40 Grosvenor Place
Jesmond
Newcastle upon Tyne
NE2 2RE

Company secretary

A D Reece

Independent auditor

UNW LLP
Chartered Accountants
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

The Reece Foundation

(A company limited by guarantee)

Trustees' report

For the year ended 31 December 2023

The trustees present their annual report together with the audited financial statements of the Foundation for the 1 January 2023 to 31 December 2023. The annual report serves the purposes of both a trustees' report and a directors' report under company law. The trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Foundation qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

*** Policies and objectives**

The primary aim of the Foundation is to award grants to organisations and to directly sponsor activities that will, in the opinion of the trustees, increase the long term and sustainable prosperity of the North East of England primarily through the promotion of engineering and manufacturing. In particular we intend to focus increasingly on the levels and amount of training in engineering related skills throughout the region.

Other projects which, in the opinion of the trustees, are beneficial to the wellbeing of the region, or the country as a whole, particularly those associated with the conservation of wild land may also be supported.

The trustees are aware of the Charity Commission's guidance on public benefit and have regard to it when selecting those projects which receive grant funding.

Achievements and performance

*** Review of activities**

The Trustees continued to support many projects throughout the year that supported and encouraged young people in the region in their development of engineering and technical skills and education. This included the support of regional competition in Vex and Lego robotics which are enjoyed now by many local schools. Several schools progressed to national finals for which we provided travel bursary support and 2 local primary schools got to the international finals in USA for which we again supported their travel costs. This was a fantastic achievement.

A major new project supporting schools teaching in Maths and Physics was funded at Royal Grammar School Newcastle and Westfield School Newcastle. It is hoped this initiative if successful will grow in the region.

Other educational projects included the further support of Villiers Park tuition and mentoring and Success For All education support work in the west End of Newcastle, as well as continuing funding of several innovative competitions at Newcastle University.

Trustees supported further education work at both Beamish and Discovery Museums – in particular the development of a major exhibition on energy development ("Steam to Green") at the Discovery Museum.

2023 saw the launch of the Ouseburn Way Vision – a major new initiative aimed at bringing attention and funding to protect and enhance the unique resource of the Ouseburn valley. Bringing together 4 regional partners, Newcastle City Council, North Tyneside Council, Environment Agency and Northumbrian Water the Trustees hope to make a significant impact on the quality of the environment along the valley both ecologically and cultural to provide a wonderful regional resource. The Foundation has pledged an initial sum of £1 million to contribute to this and foresee significant further funding from other sources in what will be a 10 year programme at least.

The Reece Foundation

(A company limited by guarantee)

Trustees' report (continued) For the year ended 31 December 2023

Achievements and performance (continued)

The current priorities are water quality, especially the cessation of sewage discharge into the river, the provision of a walkway and cycle route throughout the valley and the improvement of the ecology of the valley as a wildlife corridor.

Financial review

*** Review of the year**

The Foundation awarded grants during the year which resulted in a deficit before revaluation of investments of £1,444,353 (2022: £822,188). Expenditure is in line with trustees expectations and the intention is that the Foundation distributes its assets over a 10-year period.

*** Reserves policy**

As at 31 December 2023, the Foundation holds reserves of £28,437,627 (2022: £27,323,577). Of these, £26,977,968 (2022: £24,681,879) is invested for the longer term to provide a return for the Foundation in future years, with a further £21,353 (2022: £35,369) held as programme related investments. Remaining total 'free' unrestricted reserves of £1,357,074 (2022: £2,606,329) represent approximately one year of charitable expenditure held as cash, and is therefore not at risk of the fluctuations in investment values. The trustees believe these reserves are sufficient to support grants as they are agreed and other costs as they arise.

*** Going concern**

After making appropriate enquiries, the trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

*** Plans for future periods**

During 2024 and beyond the trustees will continue to seek high profile projects within the region that promote education and careers development in STEM subjects.

The Reece Foundation

(A company limited by guarantee)

Trustees' report (continued) For the year ended 31 December 2023

Structure, governance and management

* Constitution

The Foundation is constituted as a company limited by guarantee and was incorporated on 5 September 2007. It is a registered charity number 1121325. In the event of a winding up, every member who is a trustee, undertakes to contribute to the payment of liabilities such amount as may be required not exceeding the total of £10.

* Methods of appointment or election of trustees

New trustees are appointed by existing trustees. They all receive induction to the roles and responsibilities of a trustee and ongoing training based upon their individual needs.

* Organisational structure and decision-making policies

All decisions regarding the management of the assets of the Foundation and the awarding of grants are made collectively by the trustees.

* Investment policy and performance

The Foundation seeks to maximise its income from its asset base through a mixture of longer term investment in capital markets and short term bank deposits, whilst minimising its exposure to risk. The trustees will keep ongoing investment performance under review.

* Risk management

The trustees have assessed the major risks to which the Foundation is exposed and are satisfied that systems and procedures are in place to mitigate those major risks.

The principal risk is considered to be the management and performance of the investment assets, which is mitigated through the use of professional investment managers who report regularly to the trustees.

Disclosure of information to auditor

Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Approved by order of the members of the board of trustees on 26 September 2024 and signed on their behalf by:

Signed by:

8BDA9E0AB1FE428...
A D Reece
(Chair of Trustees)

The Reece Foundation

(A company limited by guarantee)

Statement of trustees' responsibilities For the year ended 31 December 2023

The trustees (who are also the directors of the Foundation 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 trustees to prepare financial statements for each financial. Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Foundation and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation will continue in business.

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



Independent auditor's report to the members of The Reece Foundation

Opinion

We have audited the financial statements of The Reece Foundation (the 'Foundation') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 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; and
- 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.



Independent auditor's report to the members of The Reece Foundation (continued)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion 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 financial statements are prepared is consistent with the financial statements.
- 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 our knowledge and understanding of the charitable company 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 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 financial statements are not in agreement with the accounting records and returns; or
- 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.



Independent auditor's report to the members of The Reece Foundation (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identified areas of law and regulations that could reasonably be expected to have a material effect on the financial statements from our general and sector experience and through discussions with the trustees and other management (as required by Auditing Standards) and from inspection of the charitable company's legal correspondence, and we discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

Firstly, the charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies and charities legislation) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly the charitable company is subject to many other laws and regulations where the consequences of noncompliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect; data protection and certain aspects of company legislation, recognising the nature of the charitable company's activities. Auditing Standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any. Through these procedures, we did not become aware of any actual or suspected non-compliance.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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



Independent auditor's report to the members of The Reece Foundation (continued)

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 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Anne Hallowell

59C7DD6C467F49E...

Anne Hallowell BSc FCA DChA (Senior Statutory Auditor)
For and on behalf of UNW LLP, Statutory Auditor
Chartered Accountants
Newcastle upon Tyne

26 September 2024

The Reece Foundation

(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account) For the year ended 31 December 2023

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:				
Donations and legacies	2	-	-	35,000
Investments	3	308,737	308,737	195,263
Total income		308,737	308,737	230,263
Expenditure on:				
Raising funds	4	172,030	172,030	193,653
Charitable activities	5	1,581,060	1,581,060	858,798
Total expenditure		1,753,090	1,753,090	1,052,451
Net expenditure before net gains/(losses) on investments		(1,444,353)	(1,444,353)	(822,188)
Net gains/(losses) on investments		2,558,403	2,558,403	(7,060,427)
Net movement in funds		1,114,050	1,114,050	(7,882,615)
Reconciliation of funds:				
Total funds brought forward		27,323,577	27,323,577	35,206,192
Net movement in funds		1,114,050	1,114,050	(7,882,615)
Total funds carried forward		28,437,627	28,437,627	27,323,577

The notes on pages 12 to 20 form part of these financial statements.

The Reece Foundation

(A company limited by guarantee)

Balance sheet

As at 31 December 2023

	Note	2023 £	2022 £
Fixed assets			
Investments	8	26,977,968	24,681,879
Programme related investments	9	21,353	35,369
Total investments		26,999,321	24,717,248
Current assets			
Debtors	10	6,078	-
Cash at bank and in hand		1,438,397	2,694,807
		1,444,475	2,694,807
Creditors: amounts falling due within one year	11	(6,169)	(88,478)
Net current assets		1,438,306	2,606,329
Total assets less current liabilities		28,437,627	27,323,577
Total net assets		28,437,627	27,323,577
Charity funds			
Unrestricted funds	12	28,437,627	27,323,577
Total funds		28,437,627	27,323,577

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the trustees on 26 September 2024 and signed on their behalf by:

Signed by:

 8BDA9E0AB1FE428...

A D Reece

Registered number: 06361547

The notes on pages 12 to 20 form part of these financial statements.

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements For the year ended 31 December 2023

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared in pounds sterling and are rounded to the nearest £1.

1.2 Company status

The Foundation is a company limited by guarantee. The members of the company are the trustees name on page 1. In the event of the Foundation being wound up, the liability in respect of the guarantee is limited to £10 per member of the Foundation.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

1.4 Going concern

The Foundation holds substantial investment assets, but maintains sufficient cash reserves to allow it to meet its ongoing commitments. The trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

1.5 Income

All income is recognised once the Foundation has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of the covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements For the year ended 31 December 2023

1. Accounting policies (continued)

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of resources.

Charitable activities include direct costs incurred on the company's grant-making operations and support costs incurred in running the charitable operations.

Expenditure on raising funds includes all expenditure incurred by the Foundation to raise funds for its charitable purposes and includes investment management costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

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

All expenditure is inclusive of irrecoverable VAT.

1.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Foundation; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.8 Pensions

The Foundation operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Foundation to the fund in respect of the year.

1.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Net gains/(losses) on investments' in the statement of financial activities incorporating income and expenditure account.

1.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements For the year ended 31 December 2023

1. Accounting policies (continued)

1.11 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.

1.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Foundation anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.13 Critical accounting measures and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In preparing these financial statements the trustees do not consider there were any significant estimates or areas of judgement that were required in applying the company's accounting policies as set out above.

2. Income from donations and legacies

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	-	-	35,000

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements For the year ended 31 December 2023

3. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from listed investments	305,832	305,832	188,985
Loan interest	1,620	1,620	1,027
Bank interest	1,285	1,285	5,251
	<u>308,737</u>	<u>308,737</u>	<u>195,263</u>
Total 2022	<u>195,263</u>	<u>195,263</u>	

4. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Investment management fees	172,030	172,030	193,653
Total 2022	<u>193,653</u>	<u>193,653</u>	

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements For the year ended 31 December 2023

5. Analysis of expenditure by activities

	Grant funding of activities 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Grants awarded (note 6)	1,509,286	58,040	1,567,326	858,798
Project launch costs	13,734	-	13,734	-
	<u>1,523,020</u>	<u>58,040</u>	<u>1,581,060</u>	<u>858,798</u>
Total 2022	<u>843,273</u>	<u>15,525</u>	<u>858,798</u>	

Analysis of support costs

	Total funds 2023 £	Total funds 2022 £
Staff costs	36,566	3,047
Sundry expenses	4,247	438
Audit and professional fees	6,685	12,040
Website and PR costs	10,542	-
	<u>58,040</u>	<u>15,525</u>

The statutory audit fee for the year ended 31 December 2023 is £4,450 (2022: £4,200).

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements For the year ended 31 December 2023

6. Grants awarded

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Beamish Museum	120,000	120,000	-
Creative Hut	21,510	21,510	49,264
Discovery Museum	70,834	70,834	-
Durham University	20,000	20,000	-
Innovate First International	39,981	39,981	77,248
Kielder Observatory	37,500	37,500	37,500
Maggies Centre, Freeman Hospital	50,000	50,000	-
National Literacy Trust	34,999	34,999	-
National Trust	75,000	75,000	75,000
NEIMME	-	-	100,000
Newcastle Eagles	39,800	39,800	-
Newcastle United Foundation	52,699	52,699	21,193
Newcastle University	35,000	35,000	50,000
Northumberland Wildlife Trust	181,410	181,410	125,038
Primary Engineer programme	85,000	85,000	110,000
Royal Zoological Society Scotland	235,000	235,000	-
Starlight Education	-	-	33,000
Success4All	40,000	40,000	40,000
The Royal Grammar School	83,165	83,165	36,612
Tyne River Trust	-	-	24,450
University of Sheffield	34,000	34,000	-
University of Sunderland	25,000	25,000	-
Villier's Park	70,000	70,000	-
Westfield School	-	-	20,410
Other grants (below £20,000)	239,620	239,620	141,068
Grants from prior years released	(81,232)	(81,232)	(97,510)
	1,509,286	1,509,286	843,273

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements For the year ended 31 December 2023

7. Staff costs

	2023 £	2022 £
Wages and salaries	35,501	2,958
Contribution to defined contribution pension schemes	1,065	89
	<u>36,566</u>	<u>3,047</u>

One person was employed by the charitable company from December 2022 onwards.

No employees received remuneration amounting to more than £60,000 in either year.

	2023 No.	2022 No.
Administrative	<u>1</u>	<u>-</u>

8. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2023	24,681,879
Additions	1,380,214
Disposals	(1,577,221)
Revaluations	2,493,096
At 31 December 2023	<u>26,977,968</u>
Net book value	
At 31 December 2023	<u>26,977,968</u>
At 31 December 2022	<u>24,681,879</u>

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements For the year ended 31 December 2023

9. Programme related investments

	Programme related investments £	Total £
Cost		
At 1 January 2023	35,369	35,369
Repayments	(14,016)	(14,016)
At 31 December 2023	21,353	21,353

10. Debtors

	2023 £	2022 £
Due within one year		
Other debtors	3,047	-
Prepayments and accrued income	3,031	-
	6,078	-

11. Creditors: amounts falling due within one year

	2023 £	2022 £
Grants awarded but not yet paid	-	84,278
Accruals and deferred income	6,169	4,200
	6,169	88,478

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements **For the year ended 31 December 2023**

12. Statement of funds

Statement of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2023 £
Unrestricted funds					
General funds	<u>27,323,577</u>	<u>308,737</u>	<u>(1,753,090)</u>	<u>2,558,403</u>	<u>28,437,627</u>

Statement of funds - prior year

	Balance at 1 January 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2022 £
Unrestricted funds					
General funds	<u>35,206,192</u>	<u>230,263</u>	<u>(1,052,451)</u>	<u>(7,060,427)</u>	<u>27,323,577</u>

13. Grant commitments

At 31 December 2023 the trustees had approved in principle grants totalling £2,883,400 (2022: £2,199,410). These amounts have not been accrued within these financial statements as the conditions attached to them have not yet been met, and as such the trustees have not formalised the commitment.

14. Related party transactions

There were no related party transactions in either period.

THE REECE FOUNDATION

England & Wales - Charity number 1121325

Accounts

Registered number: 06361547
Charity number: 1121325

The Reece Foundation

(A company limited by guarantee)

Annual report

31 December 2022



The Reece Foundation
(A company limited by guarantee)

Contents

	Page
Reference and administrative details	1
Trustees' report	2 - 4
Trustees' responsibilities statement	5
Independent auditor's report	6 - 9
Statement of financial activities	10
Balance sheet	11
Notes to the financial statements	12 - 19

The Reece Foundation

(A company limited by guarantee)

Reference and administrative details For the year ended 31 December 2022

Trustees

A D Reece, Chair
S P Gilroy
E Morgan
J Reece (resigned 23 February 2023)
D R Sandbach
P E O'Connell

Company registered number

06361547

Charity registered number

1121325

Registered office

40 Grosvenor Place
Jesmond
Newcastle upon Tyne
NE2 2RE

Company secretary

A D Reece

Independent auditor

UNW LLP
Chartered Accountants
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

The Reece Foundation

(A company limited by guarantee)

Trustees' report

For the year ended 31 December 2022

The trustees present their annual report together with the audited financial statements of the Foundation for the 1 January 2022 to 31 December 2022. The annual report serves the purposes of both a trustees' report and a directors' report under company law. The trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Foundation qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

*** Policies and objectives**

The primary aim of the Foundation is to award grants to organisations and to directly sponsor activities that will, in the opinion of the trustees, increase the long term and sustainable prosperity of the North East of England primarily through the promotion of engineering and manufacturing. In particular we intend to focus increasingly on the levels and amount of training in engineering related skills throughout the region.

Other projects which, in the opinion of the trustees, are beneficial to the wellbeing of the region, or the country as a whole, particularly those associated with the conservation of wild land may also be supported.

The trustees are aware of the Charity Commission's guidance on public benefit and have regard to it when selecting those projects which receive grant funding.

Achievements and performance

*** Review of activities**

There is no doubt that the pandemic continues to have a significant deleterious effect on many school children in the North East, right across the school range. Schools have struggled to counter these effects and have been reluctant or unable to continue with extra curricula activities of the sort funded by the Foundation.

However, despite this we have managed to get some activities going and the competitions – both Lego and Vex are proving very popular – and some success has been won by North East schools. In fact, 3 primary schools from the region won places at the Lego world finals. We helped fund their travel there – a life changing opportunity for these kids. We are determined to increase the scope of these competitions as they provide a wide range of benefits for the kids that take part.

The withdrawal of Nissan from supporting the F1 in Schools competition locally has led to there being no regional competition. We hope we may be able to support a new initiative in the future. Greenpower has begun to thrive again however with a number of schools, especially Primary taking part and competing locally.

Several other competitions continued online – including the activities of The National Literacy Trust, Teen Tech and Primary Engineer. For some kids these presented a very welcome activity, but we understand a number of children are excluded.

As well as the above the Foundation continued its support for teacher CPD, schools' participation in national events and a range of diverse other educational causes.

We continued a project with RGS and Westfield schools to make available additional teaching and mentoring in maths and physics to talented local pupils from state schools. We have also continued with our 6th form

The Reece Foundation

(A company limited by guarantee)

Trustees' report (continued)

For the year ended 31 December 2022

Achievements and performance (continued)

bursaries in STEM subjects at both RGS and Newcastle High School for Girls.

The Trustees continued their support for projects which improved and protected the environment and helped the countryside to become more accessible and understandable to a wider range of people.

We are continuing our work with Northumbrian Water Limited and other agencies to try and improve the water quality in the Ouseburn as a pre-cursor to improving the environment throughout the Valley itself. Newcastle University have continued their research both into the water quality and possible solutions to the pollution levels there.

Many other projects which we believed enhance the life of the North East were supported in the year – notably an extension for the Maggie's Centre at the Freeman Hospital and funds to support the programme of events in the newly re opened Mining Institute – now known as The Common Room.

The Trustees continue to seek ambitious and innovative projects which will increase the sustainable prosperity of the North east.

Financial review

*** Review of the year**

The Foundation awarded grants during the year which resulted in a deficit before revaluation of investments of £822,188 (2021: £2,012,877). Expenditure is in line with trustees expectations and the intention is that the Foundation distributes its assets over a 10-year period.

*** Reserves policy**

As at 31 December 2022, the Foundation holds reserves of £27,323,577 (2021: £35,206,192). Of these, £24,681,879 (2021: £32,489,575) is invested for the longer term to provide a return for the Foundation in future years, with a further £35,369 (2021: £49,978) held as programme related investments. Remaining total 'free' unrestricted reserves of £2,606,329 (2021: £2,666,639) represent approximately one year of charitable expenditure held as cash, and is therefore not at risk of the fluctuations in investment values seen in recent months. Expenditure has decreased in the year however is expected to increase in future years with some large upcoming projects. The trustees believe these reserves are sufficient to support grants as they are agreed and other costs as they arise.

*** Going concern**

After making appropriate enquiries, the trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

*** Plans for future periods**

During 2023 and beyond the trustees will continue to seek high profile projects within the region that promote education and careers development in STEM subjects.

The Reece Foundation

(A company limited by guarantee)

Trustees' report (continued)

For the year ended 31 December 2022

Structure, governance and management

*** Constitution**

The Foundation is constituted as a company limited by guarantee and was incorporated on 5 September 2007. It is a registered charity number 1121325. In the event of a winding up, every member who is a trustee, undertakes to contribute to the payment of liabilities such amount as may be required not exceeding the total of £10.

*** Methods of appointment or election of trustees**

New trustees are appointed by existing trustees. They all receive induction to the roles and responsibilities of a trustee and ongoing training based upon their individual needs.

*** Organisational structure and decision-making policies**

All decisions regarding the management of the assets of the Foundation and the awarding of grants are made collectively by the trustees.

*** Investment policy and performance**

The Foundation seeks to maximise its income from its asset base through a mixture of longer term investment in capital markets and short term bank deposits, whilst minimising its exposure to risk. The trustees will keep ongoing investment performance under review.

*** Risk management**

The trustees have assessed the major risks to which the Foundation is exposed and are satisfied that systems and procedures are in place to mitigate those major risks.

The principal risk is considered to be the management and performance of the investment assets, which is mitigated through the use of professional investment managers who report regularly to the trustees.

Disclosure of information to auditor

Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Approved by order of the members of the board of trustees on 27 September 2023 and signed on their behalf by:

DocuSigned by:

8BDA9E0AB1FE426 ...

A D Reece
(Chair of Trustees)

The Reece Foundation

(A company limited by guarantee)

Statement of trustees' responsibilities For the year ended 31 December 2022

The trustees (who are also the directors of the Foundation 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 trustees to prepare financial statements for each financial. Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Foundation and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation will continue in business.

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



Independent auditor's report to the members of The Reece Foundation

Opinion

We have audited the financial statements of The Reece Foundation (the 'Foundation') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 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; and
- 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.



Independent auditor's report to the members of The Reece Foundation (continued)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion 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 financial statements are prepared is consistent with the financial statements.
- 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 our knowledge and understanding of the charitable company 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 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 financial statements are not in agreement with the accounting records and returns; or
- 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.



Independent auditor's report to the members of The Reece Foundation (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identified areas of law and regulations that could reasonably be expected to have a material effect on the financial statements from our general and sector experience and through discussions with the trustees and other management (as required by Auditing Standards) and from inspection of the charitable company's legal correspondence, and we discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

Firstly, the charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies and charities legislation) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly the charitable company is subject to many other laws and regulations where the consequences of noncompliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect; data protection and certain aspects of company legislation, recognising the nature of the charitable company's activities. Auditing Standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any. Through these procedures, we did not become aware of any actual or suspected non-compliance.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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



Independent auditor's report to the members of The Reece Foundation (continued)

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 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Anne Hallowell

59C7DD6C467F49E

Anne Hallowell BSc FCA DChA (Senior Statutory Auditor)
For and on behalf of UNW LLP, Statutory Auditor
Chartered Accountants
Newcastle upon Tyne

27 September 2023

The Reece Foundation
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 December 2022

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:				
Donations and legacies	2	35,000	35,000	565,000
Investments	3	195,263	195,263	189,872
Total income		230,263	230,263	754,872
Expenditure on:				
Investment management fees		193,653	193,653	204,344
Charitable activities		858,798	858,798	2,563,405
Total expenditure		1,052,451	1,052,451	2,767,749
Net expenditure before net (losses)/gains on investments		(822,188)	(822,188)	(2,012,877)
Net (losses)/gains on investments		(7,060,427)	(7,060,427)	3,870,506
Net movement in funds		(7,882,615)	(7,882,615)	1,857,629
Reconciliation of funds:				
Total funds brought forward		35,206,192	35,206,192	33,348,563
Net movement in funds		(7,882,615)	(7,882,615)	1,857,629
Total funds carried forward		27,323,577	27,323,577	35,206,192

The notes on pages 12 to 19 form part of these financial statements.

The Reece Foundation
(A company limited by guarantee)

Balance sheet
As at 31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Investments	7	24,681,879	32,489,575
Programme related investments	8	35,369	49,978
Total investments		24,717,248	32,539,553
Current assets			
Cash at bank and in hand		2,694,807	3,422,596
		2,694,807	3,422,596
Creditors: amounts falling due within one year	9	(88,478)	(755,957)
Net current assets		2,606,329	2,666,639
Total assets less current liabilities		27,323,577	35,206,192
Total net assets		27,323,577	35,206,192
Charity funds			
Unrestricted funds	10	27,323,577	35,206,192
Total funds		27,323,577	35,206,192

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the trustees on 27 September 2023 and signed on their behalf by:

DocuSigned by:

8BDA9E0AB1FE426

A D Reece

Registered number: 06361547

The notes on pages 12 to 19 form part of these financial statements.

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements For the year ended 31 December 2022

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared in pounds sterling and are rounded to the nearest £1.

1.2 Company status

The Foundation is a company limited by guarantee. The members of the company are the trustees name on page 1. In the event of the Foundation being wound up, the liability in respect of the guarantee is limited to £10 per member of the Foundation.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

1.4 Going concern

The Foundation holds substantial investment assets, but maintains sufficient cash reserves to allow it to meet its ongoing commitments. Despite the volatility in the investment market during the year and since the year end, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

1.5 Income

All income is recognised once the Foundation has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of the covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements For the year ended 31 December 2022

1. Accounting policies (continued)

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of resources.

Charitable activities include direct costs incurred on the company's grant-making operations and support costs incurred in running the charitable operations.

Expenditure on raising funds includes all expenditure incurred by the Foundation to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

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

All expenditure is inclusive of irrecoverable VAT.

1.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Foundation; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.8 Pensions

The Foundation operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Foundation to the fund in respect of the year.

1.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Net gains/(losses) on investments' in the statement of financial activities incorporating income and expenditure account.

1.10 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.

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements For the year ended 31 December 2022

1. Accounting policies (continued)

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Foundation anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.12 Critical accounting measures and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In preparing these financial statements the trustees do not consider there were any significant estimates or areas of judgement that were required in applying the company's accounting policies as set out above.

2. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	35,000	35,000	565,000

3. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from listed investments	188,985	188,985	187,995
Loan interest	1,027	1,027	1,147
Bank interest	5,251	5,251	730
	195,263	195,263	189,872
Total 2021	189,872	189,872	

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements For the year ended 31 December 2022

4. Analysis of expenditure by activities

	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Grants awarded (note 5)	843,273	15,525	858,798	2,563,405
Total 2021	2,556,322	7,083	2,563,405	

Analysis of support costs

	Total funds 2022 £	Total funds 2021 £
Staff costs	3,047	-
Sundry expenses	438	150
Audit and professional fees	12,040	6,933
	15,525	7,083

The statutory audit fee for the year ended 31 December 2022 is £4,200 (2021: £3,800).

The Reece Foundation
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2022

5. Grants awarded

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Beamish Museum	-	-	160,600
Creative Hut	49,264	49,264	-
Innovate First International	77,248	77,248	-
Kielder Observatory	37,500	37,500	-
Mission Discovery	-	-	27,500
National Trust	75,000	75,000	-
NEIMME	100,000	100,000	100,000
Nissan	-	-	64,000
Northumberland National Park	-	-	100,000
Newcastle United Foundation	21,193	21,193	-
Newcastle University	50,000	50,000	22,400
Northumberland Wildlife Trust	125,038	125,038	2,018,800
Primary Engineer programme	110,000	110,000	25,000
Scoutek Ltd	-	-	25,000
Starlight Education	33,000	33,000	33,000
Success4All	40,000	40,000	-
Teen Tech	-	-	33,000
The Royal Grammar School	36,612	36,612	-
The Sill	-	-	20,000
Tyne River Trust	24,450	24,450	-
Westfield School	20,410	20,410	-
Other grants (below £20,000)	141,068	141,068	198,458
Grants from prior years released	(97,510)	(97,510)	(271,436)
	843,273	843,273	2,556,322

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements For the year ended 31 December 2022

6. Staff costs

	2022 £	2021 £
Wages and salaries	2,958	-
Contribution to defined contribution pension schemes	89	-
	<u>3,047</u>	<u>-</u>

One person was employed by the charitable company from December 2022 onwards.

No employee received remuneration amounting to more than £60,000 in either year.

7. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2022	32,489,574
Additions	8,398,442
Disposals	(12,224,656)
Revaluations	(3,981,481)
At 31 December 2022	<u>24,681,879</u>
Net book value	
At 31 December 2022	<u>24,681,879</u>
At 31 December 2021	<u>32,489,574</u>

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements For the year ended 31 December 2022

8. Programme related investments

	Programme related investments £	Total £
Cost		
At 1 January 2022	49,978	49,978
Repayments	(14,609)	(14,609)
At 31 December 2021	35,369	35,369

9. Creditors: amounts falling due within one year

	2022 £	2021 £
Grants awarded but not yet paid	84,278	752,157
Accruals and deferred income	4,200	3,800
	88,478	755,957

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements For the year ended 31 December 2022

10. Statement of funds

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2022 £
Unrestricted funds					
General funds	35,206,192	230,263	(1,052,451)	(7,060,427)	27,323,577

Statement of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2021 £
Unrestricted funds					
General funds	33,348,563	754,872	(2,767,749)	3,870,506	35,206,192

11. Grant commitments

At 31 December 2022 the trustees had approved in principle grants totalling £2,028,500 (2021: £1,955,000). These amounts have not been accrued within these financial statements as the conditions attached to them have not yet been met, and as such the trustees have not formalised the commitment.

12. Related party transactions

There were no related party transactions in either period.

THE REECE FOUNDATION

England & Wales - Charity number 1121325

Accounts

Registered number: 06361547
Charity number: 1121325

The Reece Foundation

(A company limited by guarantee)

Annual report

31 December 2021

The Reece Foundation
(A company limited by guarantee)

Contents

	Page
Reference and administrative details	1
Trustees' report	2 - 5
Trustees' responsibilities statement	6
Independent auditor's report	7 - 10
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	14
Notes to the financial statements	15 - 23

The Reece Foundation

(A company limited by guarantee)

Reference and administrative details For the year ended 31 December 2021

Trustees

A D Reece, Chair
S P Gilroy
E Morgan
J Reece
D R Sandbach
P E O'Connell (appointed 4 September 2021)

Company registered number

06361547

Charity registered number

1121325

Registered office

Armstrong Works
Scotswood Road
Newcastle upon Tyne
NE15 6UX

Company secretary

A D Reece

Independent auditor

UNW LLP
Chartered Accountants
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

The Reece Foundation

(A company limited by guarantee)

Trustees' report

For the year ended 31 December 2021

The trustees present their annual report together with the audited financial statements of the Foundation for the 1 January 2021 to 31 December 2021. The Annual report serves the purposes of both a trustees' report and a directors' report under company law. The trustees confirm that the Annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Foundation qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

*** Policies and objectives**

The primary aim of the Foundation is to award grants to organisations and to directly sponsor activities that will, in the opinion of the trustees, increase the long term and sustainable prosperity of the North East of England primarily through the promotion of engineering and manufacturing. In particular we intend to focus increasingly on the levels and amount of training in engineering related skills throughout the region.

Other projects which, in the opinion of the trustees, are beneficial to the wellbeing of the region, or the country as a whole, particularly those associated with the conservation of wild land may also be supported.

The trustees are aware of the Charity Commission's guidance on public benefit and have regard to it when selecting those projects which receive grant funding.

Achievements and performance

*** Review of activities**

2021 continued to be impacted by Covid. Many schools were closed for some of the year and the usual activities supported by the Foundation were suspended. There continued to be online activities for kids and adults but combining those with getting schools back into full operation proved very difficult. There is no doubt that the pandemic has had a significant deleterious effect on many schoolchildren in the North East, right across the school range. Schools have struggled to counter these effects and have been reluctant or unable to continue with extra curricula activities of the sort funded by the Foundation.

However, despite this we have managed to get some activities going and the competitions are proving very popular – and some success has been won by North East schools. We are determined to increase the scope of these competitions as they provide a wide range of benefits for the kids that take part.

The Foundation has continued its support for the F1 in Schools competition locally. The regional final, held in February, is now the largest in the UK. However, there was no travel to national or global finals again this year. We also supported the development of Lego and Vex competitions. Again these are very popular with the kids, give an introduction to programming and control technology and also provide a forum for schools to mix with other schools. The number of schools completing has continued to grow throughout the region.

Several other competitions continued online – including the activities of The National Literacy Trust, Teen Tech and Primary Engineer. For some kids these presented a very welcome activity, but we are well aware that a number of children are excluded.

As well as the above the Foundation continued its support for teacher CPD, schools' participation in national events and a range of diverse other causes.

The Reece Foundation

(A company limited by guarantee)

Trustees' report (continued)

For the year ended 31 December 2021

Achievements and performance (continued)

There remains a lot to be done to bring the North East achievement levels up to national standards and new ideas and innovative projects are sought to increase the achievement of young people in Stem subjects, particularly maths, in the Region. We continued a project with RGS and Westfield schools to make available additional teaching and mentoring in these subjects to talented local pupils from state schools.

In October a week long "Mission Discovery" event took place in Newcastle with 400 kids from all over the region spending a week with NASA astronauts and science teachers working on projects connected with the International Space Station. With our support the majority of these kids received free places at the event which ended with one team being able to place their newly designed product in the ISS itself.

We looked further at the environment: it is clear that urgent action is needed to address the crises in both climate change and biodiversity. To participate in this effort the trustees are continuing their support of Northumberland National Park's Nature First programme across 5000 hectares of land in the Hadrians Wall area. It is also working with the National Trust at Wallington to restore priority habitats and to bring back beavers to Northumberland for the first time for hundreds of years. All being well beavers will be in residence in spring 2023. We bought 800 acres of former open cast mining land at West Chevington near Druridge Bay and gifted it to the Northumberland Wildlife Trust to rewild. In time this will become the hub of a wider area that will be devoted to increasing biodiversity in the area. Our ambitions include expanding the site to link up with the Wildlife Trusts other reserves at Druridge Bay to make this area a haven for wildlife and a healthier and more inspiring place to visit.

This project complements two other projects undertaken with the Wildlife Trust: one to bring nature to kids in urban area which operates across Tyneside and the other to advise and work with farmers to ensure more nature friendly farming practices. This latter project operates across Northumberland.

Our long-awaited study monitoring water quality in the Ouseburn Valley has found that there is a very unhealthy level of discharge of raw sewage into the waters – especially after rainfall. Given that the lower Ouseburn runs through Jesmond Dene, a park where kids often go paddling and swimming in the summer we have started a campaign to get these discharges stopped. We are working with Northumbrian Water Limited and other Agencies to try and ensure this happens.

Financial review

*** Review of the year**

The Foundation awarded grants during the year which resulted in a deficit before revaluation of investments of £2,012,877 (202: surplus of £50,687) . Expenditure is in line with trustees expectations and the intention is that the Foundation distributes its assets over a 10-year period.

*** Reserves policy**

As at 31 December 2021, the Foundation holds reserves of £35,206,192. Of these, £32,895,575 is invested for the longer term to provide a return for the Foundation in future years, with a further £49,978 held as programme related investments. Remaining total 'free' unrestricted reserves of £2,206,639 represent approximately one year of charitable expenditure held as cash, and is therefore not at risk of the fluctuations in investment values seen in recent months. The trustees believe these reserves are sufficient to support grants as they are agreed and other costs as they arise.

The Reece Foundation

(A company limited by guarantee)

Trustees' report (continued)

For the year ended 31 December 2021

*** Going concern**

After making appropriate enquiries, the trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

*** Plans for future periods**

During 2023 the trustees will continue to seek high profile projects within the region that promote education and careers development in STEM subjects.

The trustees do not anticipate the Covid-19 pandemic to impact on future grant making activities.

Structure, governance and management

*** Constitution**

The Foundation is constituted as a company limited by guarantee and was incorporated on 5 September 2007. It is a registered charity number 1121325. In the event of a winding up, every member who is a trustee, undertakes to contribute to the payment of liabilities such amount as may be required not exceeding the total of £10.

*** Methods of appointment or election of trustees**

New trustees are appointed by existing trustees. They all receive induction to the roles and responsibilities of a trustee and ongoing training based upon their individual needs.

*** Organisational structure and decision-making policies**

All decisions regarding the management of the assets of the Foundation and the awarding of grants are made collectively by the trustees.

*** Investment policy and performance**

The Foundation seeks to maximise its income from its asset base through a mixture of longer term investment in capital markets and short term bank deposits, whilst minimising its exposure to risk. The trustees will keep ongoing investment performance under review.

*** Risk management**

The trustees have assessed the major risks to which the Foundation is exposed and are satisfied that systems and procedures are in place to mitigate those major risks.

The principal risk is considered to be the management and performance of the investment assets, which is mitigated through the use of professional investment managers who report regularly to the trustees.

The Reece Foundation

(A company limited by guarantee)

Trustees' report (continued) For the year ended 31 December 2021

Disclosure of information to auditor

Each of the persons who are trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Approved by order of the members of the board of trustees on 29 September 2022 and signed on their behalf by:

A handwritten signature in black ink that reads "A D Reece". The signature is written in a cursive style, with the first letters of each name being capitalized and prominent.

A D Reece
(Chair of Trustees)

The Reece Foundation

(A company limited by guarantee)

Statement of trustees' responsibilities

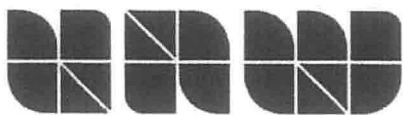
For the year ended 31 December 2021

The trustees (who are also the directors of the foundation 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 trustees to prepare financial statements for each financial . Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the foundation and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the foundation will continue in business.

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



Independent auditor's report to the members of The Reece Foundation

Opinion

We have audited the financial statements of The Reece Foundation (the 'foundation') for the year ended 31 December 2021 which comprise the Statement of financial activities, the Balance sheet, the 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

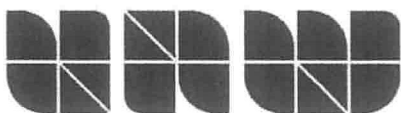
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.



Independent auditor's report to the members of The Reece Foundation (continued)

Other Information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The trustees are responsible for the other information contained within the Annual report. Our opinion on the 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion 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 financial statements are prepared is consistent with the financial statements.
- 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 our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

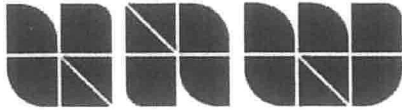
We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- 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 financial statements are not in agreement with the accounting records and returns; or
- 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.



Independent auditor's report to the members of The Reece Foundation (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identified areas of law and regulations that could reasonably be expected to have a material effect on the financial statements from our general and sector experience and through discussions with the trustees and other management (as required by auditing standards) and from inspection of the charitable company's legal correspondence, and we discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

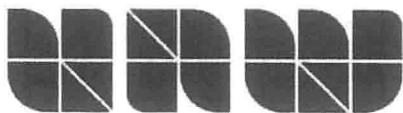
Firstly, the charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies and charities legislation) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly the charitable company is subject to many other laws and regulations where the consequences of noncompliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect; data protection and certain aspects of company legislation, recognising the nature of the charitable company's activities.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any. Through these procedures, we did not become aware of any actual or suspected non-compliance. Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.



Independent auditor's report to the members of The Reece Foundation (continued)

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 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Anne Hallowell

Anne Hallowell BSc FCA DChA (Senior Statutory Auditor)
For and on behalf of UNW LLP, Statutory Auditor
Chartered Accountants
Newcastle upon Tyne
NE1 4JE

29 September 2022

The Reece Foundation
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 December 2021

	Note	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:				
Donations and legacies	2	565,000	565,000	1,280,000
Investments	3	189,872	189,872	237,039
Total income		754,872	754,872	1,517,039
Expenditure on:				
Investment management fees		204,344	204,344	170,812
Charitable activities		2,563,405	2,563,405	1,295,540
Total expenditure		2,767,749	2,767,749	1,466,352
Net (expenditure)/income before net gains on investments		(2,012,877)	(2,012,877)	50,687
Net gains on investments		3,870,506	3,870,506	5,046,070
Net movement in funds		1,857,629	1,857,629	5,096,757
Reconciliation of funds:				
Total funds brought forward		33,348,563	33,348,563	28,251,806
Net movement in funds		1,857,629	1,857,629	5,096,757
Total funds carried forward		35,206,192	35,206,192	33,348,563

The notes on pages 15 to 23 form part of these financial statements.

The Reece Foundation
(A company limited by guarantee)

Balance sheet
As at 31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	6	32,489,575	31,154,536
Programme related investments	7	49,978	57,984
Total investments		32,539,553	31,212,520
Current assets			
Debtors	8	-	227,440
Cash at bank and in hand		3,422,596	3,257,549
		3,422,596	3,484,989
Creditors: amounts falling due within one year	9	(755,957)	(1,348,946)
Net current assets		2,666,639	2,136,043
Total assets less current liabilities		35,206,192	33,348,563
Total net assets		35,206,192	33,348,563
Charity funds			
Restricted funds	10	-	-
Unrestricted funds	10	35,206,192	33,348,563
Total funds		35,206,192	33,348,563

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the trustees on 29 September 2022 and signed on their behalf by:



A D Reece

The notes on pages 15 to 23 form part of these financial statements.

The Reece Foundation
(A company limited by guarantee)

Balance sheet (continued)
As at 31 December 2021

Registered number: 06361547

The Reece Foundation

(A company limited by guarantee)

Statement of cash flows

For the year ended 31 December 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash generated by / (used in) operating activities	11	(2,568,298)	(345,421)
Cash flows from investing activities			
Dividends, interests and rents from investments		189,872	237,039
Proceeds from sale of investments		7,785,569	4,637,672
Purchase of investments		(5,250,102)	(5,831,714)
Receipts from programme related investments		8,006	17,195
Net cash provided by/(used in) investing activities		2,733,345	(939,808)
Change in cash and cash equivalents in the year		165,047	(1,285,229)
Cash and cash equivalents at the beginning of the year		3,257,549	4,542,778
Cash and cash equivalents at the end of the year	12	3,422,596	3,257,549

The notes on pages 15 to 23 form part of these financial statements

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements For the year ended 31 December 2021

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements 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 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared in pounds sterling and are rounded to the nearest £1.

1.2 Company status

The Foundation is a company limited by guarantee. The members of the company are the trustees name on page 1. In the event of the Foundation being wound up, the liability in respect of the guarantee is limited to £10 per member of the Foundation.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

1.4 Going concern

The Foundation holds substantial investment assets, but maintains sufficient cash reserves to allow it to meet its ongoing commitments. Despite the volatility in the investment market since the year end, investment values have recovered to be comparable with their levels at the balance sheet date and consequently the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

1.5 Income

All income is recognised once the foundation has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of the covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements **For the year ended 31 December 2021**

1. Accounting policies (continued)

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of resources.

Charitable activities include direct costs incurred on the company's grant-making operations and support costs incurred in running the charitable operations.

Expenditure on raising funds includes all expenditure incurred by the foundation to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure..

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

All expenditure is inclusive of irrecoverable VAT.

1.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the foundation; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Net gains/(losses) on investments' in the statement of financial activities incorporating income and expenditure account.

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 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.

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements For the year ended 31 December 2021

1. Accounting policies (continued)

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Foundation anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.12 Critical accounting measures and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In preparing these financial statements the directors do not consider there were any significant estimates or areas of judgement that were required in applying the company's accounting policies as set out above.

2. Income from donations and legacies

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	565,000	565,000	1,280,000

3. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from listed investments	187,995	187,995	227,845
Loan interest	1,147	1,147	763
Bank interest	730	730	8,431
	189,872	189,872	237,039
Total 2020	237,039	237,039	

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements For the year ended 31 December 2021

4. Analysis of expenditure by activities

	Grant funding of activities 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Grants awarded (note 5)	2,556,322	7,083	2,563,405	1,295,540
Total 2020	1,291,653	3,887	1,295,540	

Analysis of support costs

	Total funds 2021 £	Total funds 2020 £
Sundry expenses	150	287
Audit and professional fees	6,933	3,600
	7,083	3,887

The statutory audit fee for the year ended 31 December 2021 is £3,800 (2020: £3,600).

The Reece Foundation
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2021

5. Grants awarded

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Beamish Museum	160,600	160,600	-
Blyth STEM	-	-	50,000
Calvert Trust	-	-	200,000
Centre for Life	-	-	10,000
Cranfield University	-	-	30,000
Discovery Museum	-	-	80,000
First Lego	-	-	38,650
IET	-	-	28,000
Kielder Observatory	-	-	25,000
Maggies Centre, Freeman Hospital	-	-	50,000
Mission Discovery	27,500	27,500	-
National Literacy Trus	-	-	30,362
NEIMME	100,000	100,000	-
Nissan	64,000	64,000	41,000
Northumberland National Park	100,000	100,000	250,000
Newcastle University	22,400	22,400	30,000
Northumberland Wildlife Trust	2,018,800	2,018,800	-
Primary Engineer programme	25,000	25,000	25,000
Scoutek Ltd	25,000	25,000	-
Sheffield University	-	-	14,000
Starlight Education	33,000	33,000	-
St Cuthberts School	-	-	21,000
Success for all	-	-	40,000
Teen Tech	33,000	33,000	36,000
RGS	-	-	85,000
The Sill	20,000	20,000	20,000
Tyne River Trust	-	-	70,000
Villiers Park	-	-	100,000
Other grants (below £20,000)	198,458	198,458	79,211
Grants from prior years released	(271,436)	(271,436)	(61,570)
	2,556,322	2,556,322	1,291,653

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements For the year ended 31 December 2021

6. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2021	31,154,536
Additions	5,250,102
Disposals	(7,785,569)
Revaluations	3,870,506
At 31 December 2021	<u>32,489,575</u>
Net book value	
At 31 December 2021	<u>32,489,575</u>
At 31 December 2020	<u>31,154,536</u>

7. Programme related investments

	Programme related investments £	Total £
Cost		
At 1 January 2021	57,984	57,984
Repayments	(8,006)	(8,006)
At 31 December 2021	<u>49,978</u>	<u>49,978</u>

8. Debtors

	2021 £	2020 £
Due within one year		
Amounts owed by related undertakings	-	226,903
Prepayments and accrued income	-	537
	<u>-</u>	<u>227,440</u>

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements For the year ended 31 December 2021

9. Creditors: Amounts falling due within one year

	2021 £	2020 £
Grants awarded but not yet paid	752,157	1,345,346
Accruals and deferred income	3,800	3,600
	<u>755,957</u>	<u>1,348,946</u>

10. Statement of funds

Statement of funds - current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2021 £
Unrestricted funds					
General funds	<u>33,348,563</u>	<u>754,872</u>	<u>(2,767,749)</u>	<u>3,870,506</u>	<u>35,206,192</u>

Statement of funds - prior year

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds					
General funds	<u>28,251,806</u>	<u>1,517,039</u>	<u>(1,466,352)</u>	<u>5,046,070</u>	<u>33,348,563</u>

The Reece Foundation
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 December 2021

11. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	1,857,629	5,096,757
Adjustments for:		
Gains on investments	(3,870,506)	(5,046,070)
Dividends, interests and rents from investments	(189,872)	(237,039)
Decrease/(increase) in debtors	240,925	(227,440)
Increase/(decrease) in creditors	(606,474)	68,371
Net cash used in operating activities	(2,568,298)	(345,421)

12. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	3,422,596	3,257,549
Total cash and cash equivalents	3,422,596	3,257,549

13. Analysis of changes in net debt

	At 1 January 2021 £	Cash flows £	At 31 December 2021 £
Cash at bank and in hand	3,257,549	165,047	3,422,596
	3,257,549	165,047	3,422,596

14. Grant commitments

At 31 December 2021 the trustees had approved in principle grants totalling £1,955,000 (2020: £227,000). These amounts have not been accrued within these financial statements as the conditions attached to them have not yet been met, and as such the trustees have not formalised the commitment.

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements For the year ended 31 December 2021

15. Related party transactions

There were no related party transactions in either period.

THE REECE FOUNDATION

England & Wales - Charity number 1121325

Accounts

Registered number: 06361547
Charity number: 1121325

The Reece Foundation

(A company limited by guarantee)

Annual report

31 December 2020

The Reece Foundation

(A company limited by guarantee)

Contents

	Page
Reference and administrative details	1
Trustees' report	2 - 5
Trustees' responsibilities statement	6
Independent auditor's report	7 - 11
Statement of financial activities	12
Balance sheet	13
Statement of cash flows	15
Notes to the financial statements	16 - 24

The Reece Foundation

(A company limited by guarantee)

Reference and administrative details **Year ended 31 December 2019**

Trustees

A D Reece, Chair
S P Gilroy
E Morgan
J Reece
D R Sandbach

Company registered number

06361547

Charity registered number

1121325

Registered office

Armstrong Works
Scotswood Road
Newcastle upon Tyne
NE15 6UX

Company secretary

A D Reece

Independent auditor

UNW LLP
Chartered Accountants
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JE

The Reece Foundation

(A company limited by guarantee)

Trustees' report

Year ended 31 December 2020

The trustees present their annual report together with the audited financial statements of the Foundation for the 1 January 2020 to 31 December 2020. The annual report serves the purposes of both a trustees' report and a directors' report under company law. The trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the Foundation qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

*** Policies and objectives**

The primary aim of the Foundation is to award grants to organisations and to directly sponsor activities that will, in the opinion of the trustees, increase the long term and sustainable prosperity of the North East of England primarily through the promotion of engineering and manufacturing. In particular we intend to focus increasingly on the levels and amount of training in engineering related skills throughout the region.

Other projects which, in the opinion of the trustees, are beneficial to the wellbeing of the region, or the country as a whole, particularly those associated with the conservation of wild land may also be supported.

The trustees are aware of the Charity Commission's guidance on public benefit and have regard to it when selecting those projects which receive grant funding.

Achievements and performance

*** Review of activities**

2020 was a very different year. Many schools were closed for much of the year and the usual activities supported by the Foundation were also suspended. A lot of organisations rose to the challenge extremely well and set up online activities for kids and adults. However, the effects of the pandemic on the education of many, especially here in the North East has been very significant. The Trustees have tried to look for ways to mitigate these effects – and are continuing to do so as it will be some years before the effects have diminished.

The Foundation has continued its support for the F1 in Schools competition locally, in partnership with Nissan. The regional final, held in February, is now the largest in the UK. However, there was no travel to national or global finals this year.

Several other competitions were able to move online – including the activities of The National Literacy Trust, Teen Tech and Primary Engineer. For some kids these presented a very welcome activity, but we are well aware that a number of children are excluded.

The renovation of Neville Hall continued in the year but was much delayed. The building eventually reopened in July 2021 and the Common Room of the North is in session – helped along by our funding.

As well as the above the Foundation continued its support for teacher CPD, schools' participation in national events and a range of diverse other causes.

There remains a lot to be done to bring the Northeast achievement levels up to national standards and new ideas and innovative projects are sought to increase the achievement of young people in Stem subjects, particularly maths, in the Region. This year we have started a project with RGS and Westfield schools to make

The Reece Foundation

(A company limited by guarantee)

Trustees' report (continued) **Year ended 31 December 2020**

Achievements and performance (continued)

available additional teaching and mentoring in these subjects to talented local pupils.

The Trustees have broadened their scope of funding in response to obvious needs brought about by the pandemic. We gave urgently required funding to Maggie's Centre in Newcastle so that it could stay open to provide essential services and allowed other organisations to divert funding to immediate needs. We gave a significant sum to the Calvert Trust in Kielder to help them become more resilient to crises – though they managed to remain open during the year – a great effort.

We looked further at the environment – suddenly brought to everyone's attention. It is clear that action is needed to attempt to avert the crises in both nature and climate. To participate in this effort the Trustees are supporting Northumberland National Park develop a Nature First programme based at Greenlee Lough. It is also working with the National Trust to look at rewilding on their estates in Northumberland.

Closer to home we are sponsoring improvements to the ecology of the Ouseburn Valley including a long awaiting study monitoring water quality there.

The Trustees look forward to participating in further much needed projects in this field.

Financial review

*** Review of the year**

The Foundation awarded grants during the year which resulted in a surplus before revaluation of investments of. Expenditure is in line with Trustees expectations and the intention is that the Foundation distributes its assets over a 10-year period.

*** Reserves policy**

As at 31 December 2020, the Foundation holds reserves of £33,345,563. Of these, £31,154,536 is invested for the longer term to provide a return for the Foundation in future years, with a further £57,984 held as programme related investments. Remaining total 'free' unrestricted reserves of £2,136,043 represent approximately two years of charitable expenditure held as cash, and is therefore not at risk of the fluctuations in investment values seen during the Covid-19 pandemic. The trustees believe these reserves are sufficient to support grants as they are agreed and other costs as they arise.

*** Going concern**

After making appropriate enquiries, the trustees have a reasonable expectation that the Foundation has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

*** Plans for future periods**

During 2021 the trustees will continue to seek high profile projects within the region that promote education and careers development in STEM subjects.

The trustees do not anticipate the Covid-19 pandemic to impact on future grant making activities.

Structure, governance and management

The Reece Foundation

(A company limited by guarantee)

Trustees' report (continued)

Year ended 31 December 2020

Structure, governance and management (continued)

*** Constitution**

The Foundation is constituted as a company limited by guarantee and was incorporated on 5 September 2007. It is a registered charity number 1121325. In the event of a winding up, every member who is a trustee, undertakes to contribute to the payment of liabilities such amount as may be required not exceeding the total of £10.

*** Methods of appointment or election of trustees**

New trustees are appointed by existing trustees. They all receive induction to the roles and responsibilities of a trustee and ongoing training based upon their individual needs.

*** Organisational structure and decision-making policies**

All decisions regarding the management of the assets of the Foundation and the awarding of grants are made collectively by the trustees.

*** Investment policy and performance**

The Foundation seeks to maximise its income from its asset base through a mixture of longer term investment in capital markets and short term bank deposits, whilst minimising its exposure to risk. The trustees will keep ongoing investment performance under review.

*** Risk management**

The trustees have assessed the major risks to which the Foundation is exposed and are satisfied that systems and procedures are in place to mitigate those major risks.

The principal risk is considered to be the management and performance of the investment assets, which is mitigated through the use of professional investment managers who report regularly to the trustees.

Disclosure of information to auditor

Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Auditor

The auditor, UNW LLP, has indicated his willingness to continue in office. The designated trustees will propose a motion reappointing the auditor at a meeting of the trustees.

Approved by order of the members of the board of trustees on 17 August 2021 and signed on their behalf by:

The Reece Foundation

(A company limited by guarantee)

Trustees' report (continued)

Year ended 31 December 2020

A handwritten signature in black ink that reads "A D Reece". The signature is written in a cursive style, with the first name "A D" being more stylized and the last name "Reece" being more legible.

A D Reece

(Chair of Trustees)

The Reece Foundation

(A company limited by guarantee)

Statement of trustees' responsibilities Year ended 31 December 2020

The trustees (who are also the directors of the foundation 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 trustees to prepare financial statements for each financial . Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the foundation and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the foundation will continue in business.

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



Independent auditor's report to the Members of The Reece Foundation

Opinion

We have audited the financial statements of The Reece Foundation (the 'foundation') for the year ended 31 December 2020 which comprise the Statement of financial activities, the balance sheet, the 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 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; and
- 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.



Independent auditor's report to the Members of The Reece Foundation (continued)

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 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.

Opinion 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 financial statements are prepared is consistent with the financial statements.
- 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 our knowledge and understanding of the charitable company 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 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 financial statements are not in agreement with the accounting records and returns; or
- 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.



Independent auditor's report to the Members of The Reece Foundation (continued)

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.



Independent auditor's report to the Members of The Reece Foundation (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We identified areas of law and regulations that could reasonably be expected to have a material effect on the financial statements from our general and sector experience and through discussions with the trustees and other management (as required by auditing standards) and from inspection of the charitable company's legal correspondence, and we discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

Firstly, the charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies and charities legislation) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly the charitable company is subject to many other laws and regulations where the consequences of noncompliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect; data protection and certain aspects of company legislation, recognising the nature of the charitable company's activities.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any. Through these procedures, we did not become aware of any actual or suspected non-compliance. Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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



Independent auditor's report to the Members of The Reece Foundation (continued)

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 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read 'Anne Hallowell'.

**Anne Hallowell BSc FCA DChA (Senior Statutory Auditor)
For and on behalf of UNW LLP, Statutory Auditor**

Chartered Accountants
Newcastle upon Tyne
NE1 4JE

17 August 2021

The Reece Foundation
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
Year ended 31 December 2020

	Note	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:				
Donations and legacies	2	1,280,000	1,280,000	1,252,588
Investments	3	237,039	237,039	304,329
Total income		1,517,039	1,517,039	1,556,917
Expenditure on:				
Investment management fees		170,812	170,812	147,208
Charitable activities		1,295,540	1,295,540	1,209,945
Total expenditure		1,466,352	1,466,352	1,357,153
Net income before net gains on investments		50,687	50,687	199,764
Net gains on investments		5,046,070	5,046,070	4,458,919
Net movement in funds		5,096,757	5,096,757	4,658,683
Reconciliation of funds:				
Total funds brought forward		28,251,806	28,251,806	23,593,123
Net movement in funds		5,096,757	5,096,757	4,658,683
Total funds carried forward		33,348,563	33,348,563	28,251,806

The notes on pages 16 to 24 form part of these financial statements.

The Reece Foundation
(A company limited by guarantee)

Balance sheet
At 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Investments	6	31,154,536	24,914,424
Programme related investments	7	57,984	75,179
Total investments		31,212,520	24,989,603
Current assets			
Debtors	8	227,440	-
Cash at bank and in hand		3,257,549	4,542,778
		3,484,989	4,542,778
Creditors: amounts falling due within one year	9	(1,348,946)	(1,280,575)
Net current assets		2,136,043	3,262,203
Total assets less current liabilities		33,348,563	28,251,806
Total net assets		33,348,563	28,251,806
Charity funds			
Restricted funds	10	-	-
Unrestricted funds	10	33,348,563	28,251,806
Total funds		33,348,563	28,251,806

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the trustees on 17 August 2021 and signed on their behalf by:



A D Reece

The Reece Foundation
(A company limited by guarantee)

Balance sheet (continued)
At 31 December 2020

Registered number: 06361547

The notes on pages 16 to 24 form part of these financial statements.

The Reece Foundation
(A company limited by guarantee)

Statement of cash flows
Year ended 31 December 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash generated by / (used in) operating activities	11	(345,421)	158,795
Cash flows from investing activities			
Dividends, interests and rents from investments		237,039	304,329
Proceeds from sale of investments		4,637,672	3,725,094
Purchase of investments		(5,831,714)	(3,867,243)
Receipts from programme related investments		17,195	33,728
Net cash (used in)/provided by investing activities		(939,808)	195,908
Change in cash and cash equivalents in the year		(1,285,229)	354,703
Cash and cash equivalents at the beginning of the year		4,542,778	4,188,075
Cash and cash equivalents at the end of the year	12	3,257,549	4,542,778

The notes on pages 16 to 24 form part of these financial statements

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements

Year ended 31 December 2020

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements 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 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements are prepared in pounds sterling and are rounded to the nearest £1.

1.2 Company status

The Foundation is a company limited by guarantee. The members of the company are the trustees name on page 1. In the event of the Foundation being wound up, the liability in respect of the guarantee is limited to £10 per member of the Foundation.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

1.4 Going concern

The Foundation holds substantial investment assets, but maintains sufficient cash reserves to allow it to meet its ongoing commitments. Despite the volatility in the investment market since the year end, investment values have recovered to be comparable with their levels at the balance sheet date and consequently the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

1.5 Income

All income is recognised once the foundation has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to donations received under Gift Aid or deeds of the covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements **Year ended 31 December 2020**

1. Accounting policies (continued)

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of resources.

Charitable activities include direct costs incurred on the company's grant-making operations and support costs incurred in running the charitable operations.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure..

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

All expenditure is inclusive of irrecoverable VAT.

1.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the foundation; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.8 Investments

Investments are stated at market value at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 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.

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 31 December 2020

1. Accounting policies (continued)

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Foundation anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.12 Critical accounting measures and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In preparing these financial statements the directors do not consider there were any significant estimates or areas of judgement that were required in applying the company's accounting policies as set out above.

2. Income from donations and legacies

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations	1,280,000	1,280,000	1,252,588

3. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from listed investments	227,845	227,845	280,182
Loan interest	763	763	1,427
Bank interest	8,431	8,431	22,720
	237,039	237,039	304,329
Total 2019	304,329	304,329	

The Reece Foundation
(A company limited by guarantee)

Notes to the financial statements
Year ended 31 December 2020

4. Analysis of expenditure by activities

	Grant funding of activities 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Grants awarded (note 5)	1,291,653	3,887	1,295,540	1,209,945
Total 2019	1,206,150	3,795	1,209,945	

Analysis of support costs

	Total funds 2020 £	Total funds 2019 £
Sundry expenses	287	195
Audit fee	3,600	3,600
	3,887	3,795

The Reece Foundation
(A company limited by guarantee)

Notes to the financial statements
Year ended 31 December 2020

5. Grants awarded

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Beamish Museum	-	-	50,000
Blyth STEM	50,000	50,000	-
Calvert Trust	200,000	200,000	-
Cambridge University Eco Racing	-	-	20,000
Centre for Life	10,000	10,000	-
Cranfield University	30,000	30,000	-
Discovery Museum	80,000	80,000	25,000
Enthuse	-	-	40,000
First Lego	38,650	38,650	-
Green Power	-	-	37,000
IET	28,000	28,000	-
Kielder Observatory	25,000	25,000	-
Maggies Centre, Freeman Hospital	50,000	50,000	100,000
National Literacy Trust	30,362	30,362	-
Newcastle United Foundation	-	-	307,030
Nissan	41,000	41,000	105,845
Northumberland National Park	250,000	250,000	-
Newcastle University	30,000	30,000	-
Primary Engineer programme	25,000	25,000	-
Royal Institution	-	-	90,000
Sheffield University	14,000	14,000	37,800
St Cuthberts School	21,000	21,000	21,000
Success for all	40,000	40,000	40,000
Teen Tech	36,000	36,000	-
RGS	85,000	85,000	-
The Sill	20,000	20,000	-
Tyne River Trust	70,000	70,000	-
Villiers Park	100,000	100,000	121,751
Westfield School	-	-	25,112
Other grants (below £20,000)	79,211	79,211	185,612
Grants from prior years released	(61,570)	(61,570)	-
	1,291,653	1,291,653	1,206,150

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 31 December 2020

6. Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 January 2020	24,914,424
Additions	5,831,714
Disposals	(5,021,147)
Revaluations	5,429,545
At 31 December 2020	31,154,536
Net book value	
At 31 December 2020	31,154,536
At 31 December 2019	24,914,424

7. Programme related investments

	Programme related investments £	Total £
Cost or valuation		
At 1 January 2020	75,179	75,179
Repayments	(17,195)	(17,195)
At 31 December 2019	57,984	57,984

8. Debtors

	2020 £	2019 £
Due within one year		
Amounts owed by related undertakings	226,903	-
Prepayments and accrued income	537	-
	227,440	-

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements

Year ended 31 December 2020

9. Creditors: Amounts falling due within one year

	2020 £	2019 £
Grants awarded but not yet paid	1,345,346	1,276,975
Accruals and deferred income	3,600	3,600
	<u>1,348,946</u>	<u>1,280,575</u>

The Reece Foundation

(A company limited by guarantee)

Notes to the financial statements Year ended 31 December 2020

10. Statement of funds

Statement of funds - current year

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds					
General funds	28,251,806	1,517,039	(1,466,352)	5,046,070	33,348,563

Statement of funds - prior year

	Balance at 1 January 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2019 £
Unrestricted funds					
General funds	23,593,123	1,556,917	(1,357,153)	4,458,919	28,251,806

11. Reconciliation of net movement in funds to net cash flow from operating activities

	2020 £	2019 £
Net income for the period (as per Statement of Financial Activities)	5,096,757	4,658,683
Adjustments for:		
Gains on investments	(5,046,070)	(4,458,919)
Dividends, interests and rents from investments	(237,039)	(304,329)
Decrease/(increase) in debtors	(227,440)	-
Increase in creditors	68,371	263,360
Net cash provided by/(used in) operating activities	(345,421)	158,795

The Reece Foundation
(A company limited by guarantee)

Notes to the financial statements
Year ended 31 December 2020

12. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	3,257,549	4,542,778
Total cash and cash equivalents	3,257,549	4,542,778

13. Analysis of changes in net debt

	At 1 January 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	4,542,778	(1,285,229)	3,257,549
	4,542,778	(1,285,229)	3,257,549

14. Grant commitments

At 31 December 2020 the trustees had approved in principle grants totalling £227,000 (2019: £268,000). These amounts have not been accrued within these financial statements as the conditions attached to them have not yet been met, and as such the trustees have not formalised the commitment.

15. Related party transactions

There were no related party transactions in either period.