

# Wates Family

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## ENTERPRISE TRUST

**WATES FAMILY ENTERPRISE TRUST LIMITED**  
**Report and Financial Statements**  
**Year ended 31 December 2021**  
**Charity no: 1126007**  
**Company no: 06648896**

**Directors of the Company**

Mr A T A Wates  
Mr A E P Wates (Chairman)  
Mr P C R Wates  
Mr T A de B Wates  
Sir James Wates

**Trustees**

Mr A T A Wates  
Mr C W R Wates  
Sir James Wates  
Mr Jonathan G M Wates  
Mr M E Wates  
Mr P C R Wates  
Mr T A de B Wates  
Mr A E P Wates (Chairman)

**Company Secretary**

Mr Tahseen Sherwani

**Company Number:** 06648896

**Charity Number:** 1126007

**Registered Office**

Wates House  
Station Approach  
LEATHERHEAD  
Surrey KT22 7SW

**Auditors**

Crowe U.K. LLP  
55 Ludgate Hill  
London  
EC4M 7JW

**Bankers**

Charities Aid Foundation Bank Limited  
5 King's Hill Avenue  
King's Hill  
West Malling  
Kent  
ME1 94J

**Solicitors**

Bates Wells  
10 Queen Street Place  
London EC4R 1BE

**Memberships**

The Wates Family Enterprise Trust Limited is a subscribing member of the Association of Charitable Foundations, London Funders and the Environmental Funders Network.

**Contact Information**

E-mail: [director@watesfoundation.org.uk](mailto:director@watesfoundation.org.uk)  
Web: [www.watesgiving.org](http://www.watesgiving.org)

## Message from the chair

A Charity Commission survey of just under 2000 charities in England and Wales in 2021, showed that nearly all charities have experienced some negative impact from Covid-19 – and we continued to hear throughout the year, from reports and anecdotal evidence, that this remains a concern to many of our grantees. The consequences have been wide ranging which, is a reflection of the diversity amongst charities.

At the Wates Family Enterprise Trust, we recognise the value of large and small, those that are rooted in communities and those that seek to work with policy makers and influencers and our support mirrors this. Recognising the urgency of flexible funding at this time, we ensured those smaller and community-based charities that were brought to our attention, continued to access funding. This has been made possible by the £39,760 awarded to charities identified and suggested by staff across the Wates Group as well as the £130,411 matched funding and campaign specific funding offered to charities Wates employees personally nominate and support.

In addition to the challenges our partners faced, 2021 saw a reduction in the Trust's grant making. Our budget remained at half our 2019 level, which impacted the number of new strategic partnerships we were able to develop. However, three key partnerships with Hubbub, The Difference and The Centre for Social Justice remain instrumental in informing the trustees and staff in how we can best support change in each of our strategic areas of funding. (Sustainability, Life Opportunities for Young People and Housing).

I am pleased that the Trust has been able to respond and balance the mix of strategic funding alongside that of support to core operations and enabling service delivery in communities where it is deservedly needed. We continue to offer flexible funding and listen to our grantees when there are problems. In the year, we successfully adapted our processes to reduce its administration by half. We remain as signatories to the ACF Funders Commitment to Climate Change and the London Funders flexible and responsive commitment to grantees. We continue to reflect and recognise where our practice could be strengthened, for example we have joined other foundations in considering how we can best ensure diversity, equality and inclusion across all that we do.

We continue with our commitment to learn from our partners and their expertise. 2021 saw our first impact report which allowed us to talk about our support in terms of our longer-term ambition. The Trust's outcomes were developed with our partners and help us to focus on what is important and critical in shifting the narrative and thinking across different sectors.

This was the year we also hosted our first Trust Talk, creating a space for discussion and thought leadership amongst colleagues in the Wates Construction Group. The first talk was led by the Centre for Social Justice and asked: 'How can Housing support thriving communities?'. We hope this will be the first of several opportunities to share with the corporate sector, the strategic work we fund.

Key to the Trust's ambition is supporting catalytic change, practice and political influence. With Trust funding, 2021 saw the Centre for Social Justice publish Close to Home, Delivering a national Housing First Programme in England and Exposing the Hidden Housing Crisis. In the foreword to the report, former PM Theresa May said: "*The dysfunction in our housing system is deep-rooted, having developed over multiple decades and under governments of all stripes. Addressing it fully remains one of the fundamental public policy challenges of our time.*" We value our partnership with the CSJ and the calibre of their research and publications in engaging with key policy and government decisionmakers.

The Trust has supported The Difference since its inception in tackling the issue of school exclusions and the poor-quality education offered to those who fall outside the mainstream education system. The country's most vulnerable children have overwhelmingly poor educational and life outcomes. National figures suggest that over 40 children are permanently excluded in England during every school day – this is nearly 8,000 children across the school year. We are thrilled to note how the

Difference continues to grow and, in particular, the growing demand for their support across the education sector.

We are all conscious of the urgency around the challenge of climate, which is why the Trust is proud to be working with Hubbub, Manchester City Council and Manchester Climate Agency to find ways to support Manchester city residents in adopting more sustainable lifestyles (#InOurNature). The campaign is in its second year and we have seen some wonderful, innovative approaches and increasing community engagement in nature close to home.

Collaboration and partnership are two values vital to all we do. This year we collaborated with the Wates Group to offer a new fund 'Thinking Differently', where the Trust will provide funding and the Group will bring resources, volunteering and expertise to a charity or social enterprise supporting them in a key strategic move or development. After a rigorous process, we are delighted to announce that Embassy, a young charity in Manchester serving homeless men, were successful and we look forward to supporting them as they develop a service specially for women.

Lastly, the Trust continues to hold itself to high standards of governance and transparency. We recognise that, with a governance board made up purely of family members, it remains important to include other voices and perspectives in the development of our strategy and grant making decisions. More detail on how we achieve this can be found on pages 7 and 8 under Structure, Governance and Management.

As we prepare to enter 2022, we are excited about our new partnership with Look Ahead and the Smith Institute under our Housing theme. We look forward to developing our support to others across all themes and we hope for a more stable year for all those we support and the communities they serve.

Andy Wates

A handwritten signature in dark ink, appearing to read 'Andy Wates', written over a horizontal line.

Chairman

Wates Family Enterprise Trust

## Introduction

The Trustees, who are also the Directors of the incorporated company, have pleasure in presenting their Report together with the financial statements of Wates Family Enterprise Trust Limited for the year ended 31st December 2021.

Legal and administrative information forms part of this Report. The financial statements comply with current statutory requirements, the Trust Deed, applicable law and *Charities Statement of Recommended Practice (FRS 102)*.

## Grant Making

The Trust's grant making is allocated across four key legacy outcomes;

### Building Resilience

Using the Trust's knowledge and insight to address social needs and improve lives

### Engaging the Disengaged

Providing resources to create sustainable change within communities

### Influencing the System

Shining a light on pressing issues and convening stakeholders to create solutions

### Fostering Active Citizenship

Providing opportunities for Wates employees to engage with and support local communities

## Thematic Grants

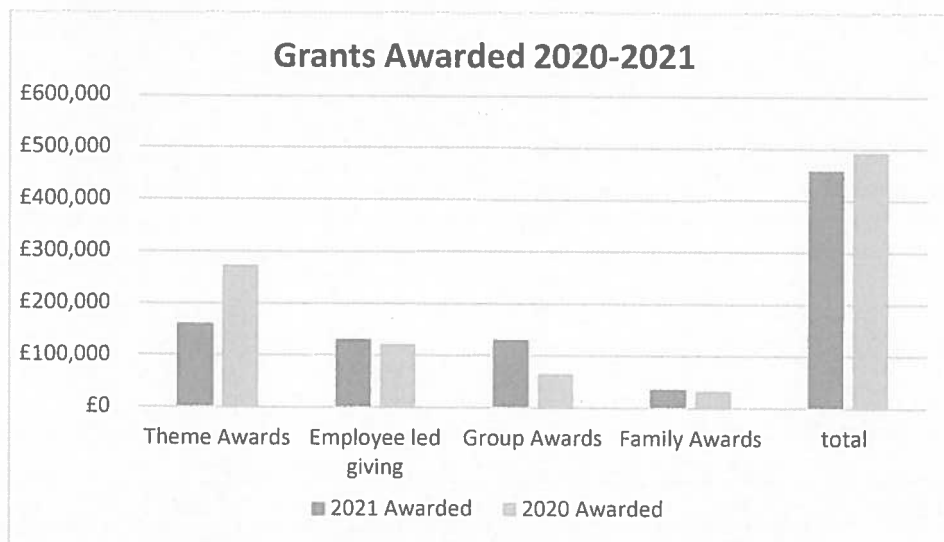
Three key strategic areas of Housing, Life Opportunities for Young People and Sustainability guide the majority of the Trust's funding. Each theme is led by a nominated trustee with the Director of the Trust.

Outside the theme areas, funding available for each year is allocated on a proportional basis to:

**Employee awards:** in support of initiatives of employees of the Wates businesses acting in a private capacity. The latter includes: personal fundraising for local charitable and community causes; Give As You Earn donations through payroll; engagement with community organisations as volunteers, trustees, governors, sports coaches or other roles; participation of immediate family members in sport at national and international levels.

**Group awards:** in support of bids originating from initiatives of the Wates Group and its business units.

**Family awards:** in support of bids which are the initiative of the Wates Family.



A revised grant making budget was drawn up in early 2020, as a result of the financial implications of Covid-19. This shifted the emphasis of funding for 2020 and 2021 whilst ensuring commitments to current grantees remain fulfilled.

Trustees have made clear their commitment to matched funding of Wates group employee fundraising. They continued to prioritise Thematic grant making but at a reduced level. The budgets for Group Awards and Family Awards were much reduced in the immediate term.

The Trust does not accept unsolicited applications for grant funding.

## **Achievements & Performance**

### ***Funding Summary***

In 2021, the Trust made 200 new awards in the period to the value of £458,299. A full list of awards, given and rescinded in the year, is to be found in the Notes to the Accounts.

The following provides a brief look at some of the new awards from the Trust's programmes in 2021, starting with the initial awards made under the new Focus Themes

#### **1. Life Opportunities for Young People**

The Trust's partnership with The Difference, continued under the Life Opportunities for Young People thematic work. These partnerships are being cultivated to provide a key focus on disadvantaged young people struggling at school and on those at risk of, or suffering exclusion.

The Difference works to identify and promote a 'best practice' curriculum in Alternative Provisions and to improve mainstream school inclusion. 53 mainstream leaders have completed the Inclusive Leadership Course, tripling participation from 2020. They lead schools for 36,000 pupils across 25 local authorities. 86% of participating schools saw improved de-escalation of challenging behaviour and 60% reported a fall in exclusions, before the end of the one-year course.

In 2022, the Trust aims to build on the work supported to date, to ensure better opportunities and access to education for children and young people. We aim to support more organisations to build a body of evidence and support a sector influencing of policy and practice.

#### **2. Housing**

The Trust was delighted to see opportunity for the practical application of recommendations from the grant to St Mungo's in 2020. The report, Tackling Transient Work and Homelessness was published and launched in October 2020 to an audience of over 70 MPs, policy makers, homeless charities and grant making bodies. Clear recommendations were made illustrating how employers could support their workforce if at risk of homelessness. By the Autumn of 2021, St Mungo's was offering training to staff across Wates businesses, and across the construction sector, to raise awareness of 'in work homeless' and support practical interventions to identify, protect and prevent this homelessness in the workforce.

2021 saw the second year of a two year, £120,000 award to the Centre for Social Justice enabling them to publish Close to Home, Delivering a national Housing First Programme in England and Exposing the Hidden Housing Crisis.

Two new awards were made to Look Ahead and Smith Institute, to support short term research into national housing challenges.

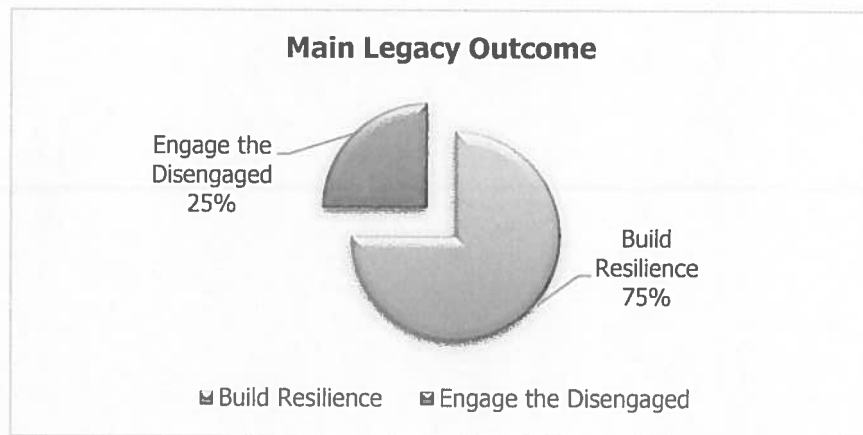
#### **3. Sustainability**

A two-year commitment (2020-22) sees the Trust continue its support to Hubbub as it works with Manchester City Council, Manchester Climate Agency and a range of other local, Manchester based partners. This coalition investigate how positive and playful campaigns can bring communities together and help residents live more sustainably, supporting Manchester on its journey to be a zero-carbon city by 2038.

### Group Awards 2021

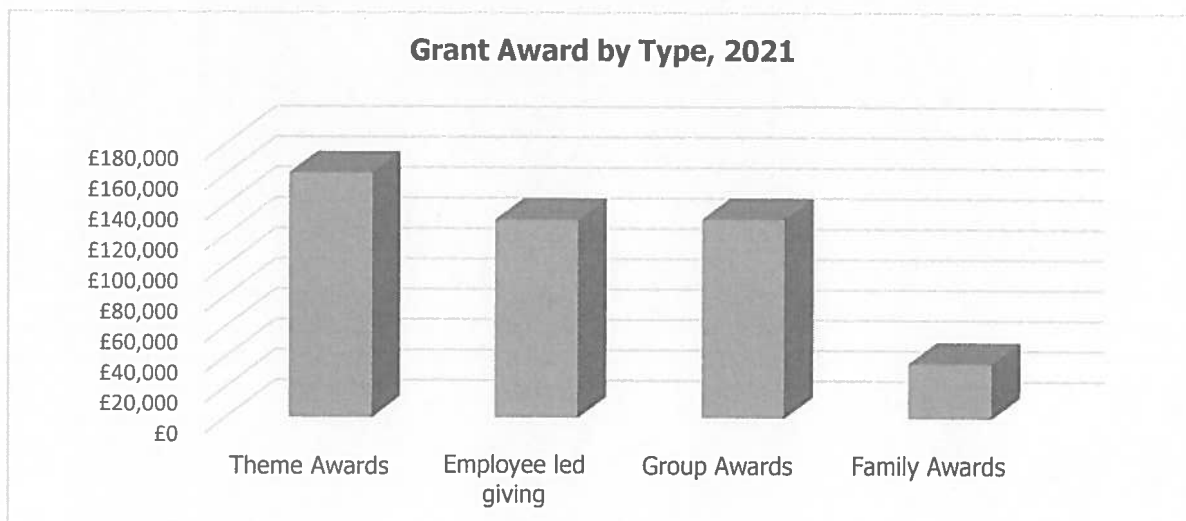
The increase in themed giving has seen a realignment of Group awards which are now smaller. 13 awards were made totalling £130,760 to charitable projects put forward by the Wates Group.

The awards made sat under two of the Trust's main legacy outcomes with 75% of all grants meeting the Building resilience outcome. This is not unsurprising given the ongoing impact of covid and this distribution is an illustration of how much the Trust was asked to respond to community groups and charities supporting their communities in the face of so many social, health, isolation and basic poverty needs.



### Summary focus of grants made

Thematic grant making remained the highest focus of awards at 35% of the total giving. This was followed by Group Awards at 29% and Employee led giving at 28%. This almost even split is a reflection of the Trust's commitment to responding to communities in the continuation of covid, and there remains an expectation that thematic giving will return to previous levels in 2022 onwards.



### Family Awards

In 2021, the Wates Family members, who are the Trustees, made 13 awards valued at £36,150 to causes and initiatives in which they have a personal interest or in support of causes in Surrey, London and the South-East in particular.

The Trust maintains its three-year commitment to the **National Cancer Research Institute** for its Future Cancer Research Leaders Programme bringing together researchers from across the UK examining new solutions. This programme is also being supported by the Wates Foundation with a further £90,000 bringing total funding to £120,000.

The Family Fund was pleased to support a number of national and local charities put forward by the younger 'Generation 5' family members. One grant was awarded to Brixton Soup Kitchen

## **Employee Awards**

The Trust makes awards in support of philanthropic initiatives of employees of the Wates' businesses. The latter include: personal fundraising for local charitable and community causes; Give as You Earn (GAYE) donations through payroll; engagement with community organisations; participation in sport at national and international levels.

Despite the restrictions and frustrations 2021 presented for fundraising, the year saw 79 grants totalling £68,398 awarded for Wates Giving's support to the personal causes of Wates employees. £11,659 went to support Wates employees working on behalf of their local communities and charities as trustees, governors or in other volunteer roles such as fundraisers, sports coaches or general helpers.

In recognition that many organised, public fundraising events were cancelled as a result of the Covid-19 virus, the Trust ran its campaign 'Let's get Giving: 100 for 500' for a second year, specifically to enable Wates employees to ensure the small local causes they support could receive funding. 90 awards of £500 were distributed during December 2021, all of which had been chosen and assessed by Wates employees. The focus on 'small and local' was incredibly important to the Trust, given the increase in local responses to communities in need during the Covid-19 pandemic.

The Trust made a grant to match the ***Give As You Earn (GAYE)*** donations made by Wates Group employees, which totalled £17,031 in 2021. This was consistent with the previous year.

Finally, we make mention of the Trust's support to individual Wates employees who fundraise for a wide range of charities by undertaking marathons, parachute jumps, wing-walking, Dragon Boat racing, long distance bike rides, hikes, baking, sleeping rough overnight and growing beards and moustaches or, even, in shaving them off. As new initiative for 2021 saw the Trust make 3 awards of £1,000 to organisations which had received an employee award earlier in the year. The awards were called Chairman's Awards and were awarded under the following 3 categories: most daring activity undertaken to raise funds, most amount raised by an employee in one fundraising activity and the most hours volunteered at an organisation outside of an employee's working day.

The list of organisations in receipt of these awards is included at the end of the notes to the accounts. Its length and variety are resounding testaments to the interests and passions of the Wates employee sponsors.

## **Structure, Governance & Management**

Wates Family Enterprise Trust Limited is an incorporated charity, registered with the Charity Commission No. 1126007 on 23 September 2008 and at Companies House No. 06648896 on 16 July 2008. The Trust is a grant-making charity run by trustees, is independent of the Wates Group of companies, and is incorporated in England and Wales. The funding made available for the charity is agreed on an annual basis by the Family members who are shareholders of the Wates Group.

The Trust has eight trustees. Five of these are also the Directors of Wates Family Enterprise Trust Limited. The Annual General Meeting (AGM) of the company is held in June/July each year. Directors retire and are elected at the AGM under the terms of the company's Articles of Association. Mr Andy Wates is Chairman of the Board of Directors and of the Trustees.

The Trust shares a Secretariat that operates as Wates Family Charities, with the Wates Foundation Limited, an unincorporated registered charity no 247941. The day-to-day administration of the Trust's



grants and the processing and handling of applications is carried out by the Secretariat. Costs are apportioned on an agreed percentage basis between the two charities. These include rent for office space located within premises occupied by a company owned by the Trustees, as well as charges for use of the company's IT, HR and other administrative systems. During the year rent was charged proportionally between the Trust and Foundation at 100% of the passing rate. The agreed basis of the cost allocation was a split of 80% to the Trust and 20% to the Foundation throughout the entire year. This reflects the best view of the division of the time spent by the Secretariat between the two organisations.

For all legal and operational purposes, the Trust and the Foundation are totally separate and independent entities.

Authority to make grants, and other awards, is delegated by the Trustees to a Committee that meets three or four times a year to consider how new grant applications meet relevant criteria for funding. The Committee also considers monitoring information concerning the performance of extant awards, as well as other operational matters, and makes recommendations to the Board of Trustees as necessary.

The Trustees agreed, in March 2019, to formally adopt the Charity Governance Code. The Trustees are satisfied that the Trust complies with the vast majority of the Code's provisions, with the following exceptions:

- Trustees fixed terms of office: because of the precise nature of the link between ownership of the Wates Group, the financing of the Trust and Trusteeship of the Trust, the Trustees have resolved that Trustee terms of office should remain unlimited.
- Appointment of independent Trustees from outside the Family (in the interests of diversity and transparency): for the same reason, The Trustees have resolved not to make any immediate appointments of new, non-Family Trustees but to keep the matter under regular review. The Trustees also felt that involvement of many employees of the Wates Group and of external experts in the Trust's deliberations offered the opportunity to ensure a wide variety of viewpoints were represented.

Trustees in the year, who are also the members of *Wates Giving*, were:

Andy (AEPW) Wates (Chairman of Trustees & Grants Panel Committee)	
Andrew (ATAW) Wates	Michael Wates
Charles Wates	Paul Wates
James Wates	Tim Wates
Jonathan Wates	

A Grants Panel Meeting, which is held approximately twice a year, is requested by the Trustees to assess applications, identify issues to be further explored and undertake performance monitoring of the Trust's operations prior to the higher-level Trustees' meetings.

Terms of Reference for the Grants Panel Meeting define its current membership at the year-end as:

Andy Wates, Chairman of the Grants Committee;  
Andrew Wates and the Director of Wates Family Charities and Trust Secretary,  
Su Pickerill, Group Community Investment Management  
Andrew Riggs, Head of Government Sector, Wates Group  
Ben Williams, Living Space National Strategic, Wates Group  
Deep Mahinda, Key Account Director, Wates Group  
Emma Gruenbaum, Market and Engagement Director, Wates Group  
Holly Gardiner, Senior Land and Planning Manager, Wates Group  
Julie Payne, Marketing Business Partner., Wates Group  
Lisa Cunningham, Pre Construction Director, Wates Group  
Matt Smith, Pre Construction Director, Wates Group

Their role is to represent the interests of Wates employees in schemes funded by the Trust; initiatives sponsored to the Trust by Wates employees, including reporting on the implementation of initiatives;

and the provision of advice to inform the Meeting's recommendations to the Trustees Committees on strategy, new awards and media.

Other than the Trustees/Directors, who all give their time freely both for meetings and for visits, the Trust has no dependence on volunteers, donated facilities, donated services, or other donations in kind or other intangibles.

As a commitment to transparency, the Trust publishes all of its grant award data to the 360 Giving website, where it can be seen and analysed by other funders and charities seeking funding.

### **Recruitment & Training of Trustees and Staff**

Under Article 2(2)(b) of the Articles of Association of The Wates Family Enterprise Trust Limited membership of the Association, and eligibility for election as Directors and Trustees, is limited to members of the Wates Family, who are descendants of Sir Ronald Wates and who are shareholders in the Wates Group.

The Trustees have identified training and development as a key area within the Trust's strategic planning to ensure that members of the Wates Family associated with the work of the charity and the staff of the Secretariat have the relevant skills, competences, knowledge and understanding that they need to deliver the Trust's mission effectively, sustaining and improving the overall performance of the Trust and its grant making.

Trustees gain experience as members of the Trust's Grants Panel Committee, taking part in the grant assessment process and related visits, and in a programme of visits to relevant organisations and institutions. Where relevant, Trustees also undertake formal training conducted by bodies such as the Association of Charitable Foundations. All the staff members of the Secretariat have an annual performance and development review (PDR), as part of which, training needs are identified, and plans put in place for the year ahead by agreement with the Chairman of Trustees. Progress against objectives for the year, and the agreed development plans, is then reviewed in the mid-year. A register of training undertaken is maintained by the Secretariat and reviewed annually by the Trustees.

### **Object of the Trust**

The Wates Family Enterprise Trust Limited supports the philanthropic aims of the Wates Family owners of the Wates Group and its associated enterprises. Under the Trust Deed, the charitable purposes or activities for which the Trust Fund may be used, together with the income that derives from it, are those that the Trustees may direct for the public benefit at their discretion.

### **Objectives and activities for the public benefit**

The general charitable purposes, aims and policies of The Trust, including consideration of grant-making, policies and performance relating to social finance, reserves, staff remuneration and risk management are reviewed regularly by the Trustees.

When reviewing the Trust's aims and objectives, devising the new programmes and setting their grant making policy for the year, the Trustees confirm that they have referred to the latest information contained in the Charity Commission's general guidance on public benefit and complied with their duty under Section 4 of the Charities Acts 2006 and 2011.

The purpose of Wates Family Enterprise Trust Limited is to provide a means for the Wates Family to be engaged stewards of the Family business, blending wealth creation with social responsibility. The Trust provides funding for specific strategic issues which address social, environmental and human inequality alongside supporting communities where Wates employees work and live. Since launching the Trust in 2008, the Trust has invested £15.5m in charitable activities.

### **Current Strategy 2018-2021**

The main goals of the current strategy are:

- To continue the Family vision to be a 'force for good'
- To grow Family (especially the younger generation's) engagement in philanthropy
- To build greater Family involvement and leadership for key initiatives
- To look over time to create a clearer legacy for future generations

As part of the longer-term plan, the Trustees set a medium-term ambition to build overall funding from £1.25m in 2017 towards £2m over time as the Wates Group grows in size and profitability. (The 'rule of thumb' remains that the Trust should receive up to 5% of the Group's pre-tax profits). As a result of Covid-19 and the impact on the Wates Group profit, the trustees agreed to distribute 2019's income across 2020 and 2021. In essence, this has halved the Trust's budget for each of the remaining years of the strategy.

The aims of the strategy remain, despite a reduced budget, with a priority focus on thematic funding, Employee led giving and Group grants.

The key elements of the framework of the new strategy were to:

- Look to focus new funds behind a few more focused themes, initially three
- Aim to commit funding for organisations and programmes over 3+ years
- Ensure clear Family leadership of the thematic programmes
- Retain a level of funds for Family personal interests but reduced in scale
- Ensure future funding growth for Employee's individual philanthropic efforts
- Continue to support Wates Group's engagement in local communities
- More clearly focus the Trust's support of other projects put forward by the Wates Group behind established beneficiary-focused programmes, R&D (e.g. the ground-breaking Sustainability Knowledge Transfer Partnership) and innovation.

Three themes were identified – Life Opportunities for Young People, Housing and Sustainability. The role of each Group is to identify the precise scope of the Theme focus areas and propose to the Grants' Committee (who retain the authority to make grants) specific charities, projects, programmes and research to be funded. Relationships with grantees are seen as partnerships, with a longer commitment to funding and a collaboration rooted in discussion, sharing and learning together. The Trust aims to make available larger levels of grant funding, up to £200,000 or more over 3-5 years.

2021 was the fourth year of the strategy. Life Opportunities for Young People (champion Andy Wates) and Housing (champion Tim Wates) continued to build on work commenced in 2018. In addition, the Sustainability theme (champion Jonny Wates) continued its strategic funding to Hubbub as part of the wider Manchester City response to climate change. The actual grant allocation in 2021 for the themes, post a Covid re-budgeting, was £160,978 (2020:£273,541). Further detail of the individual grants made and organisations supported is given below.

### **Related Party Transactions**

It is the Trustees' policy to encourage active involvement in the voluntary sector by their peers and the Wates Family generally. Where a Trustee serving on the Grants Committee has an interest in any capacity with an external body applying for funds from the Trust, then that trustee is excluded from the decision-making process. This and other potential conflicts of interest are covered by a formally adopted policy, which extends to members of the Secretariat and other persons attending meetings at which grant-making decisions are taken. Such potential conflicts will be noted in the minutes of the relevant meetings.

The Trust maintains an annually updated register of the business interests of members of the Wates Family and staff that take an active part in the Trust's philanthropic activities.

A list of awards where related party interests occur is in the Notes to the Accounts.

### **Evaluation of Governance**

The Trustees recognise that there is a potential for additional conflicts of interest in their responsibilities as trustees of the Trust and owners of the Wates Group of businesses with which the Trust has a close

working relationship. Diligent care is taken to ensure the separateness and independence of both organisations from each other. A Memorandum of Understanding was agreed and adopted in 2021, between the Wates Family Enterprise Trust, the Wates Foundation and the Wates Group, recognising the independence of each organisation and the areas where they collaborate

The Trustees regularly review a register of gifts and hospitality offered and received by Trustees and the Secretariat to ensure compliance with the Trust's policy in this matter.

### **Wates Family Enterprise Trust Web Site**

With the development of thematic grant making and an ambition to understand the outcomes and impact of work funded by the Trust, the new website is a showcase of the Trust's work and provides transparency for the public and other interested parties on how the Trust operates. Applications cannot be made to the Trust through the website. The Trust also communicates to Wates Group staff via the company's Intranet.

### **Financial review**

Financial Statements and Notes on activities for the year form part of this Annual Report. Full accounts have been lodged with the Charity Commission and Companies House.

The Trust's income arises from a formal agreement with the Wates Group in accordance with the wishes of the Wates Family owners and shareholders of the Wates businesses. In 2021, income net of investment interest and loan repayments was £825,000 (2020: £825,000).

Expenditure for the year was £683,384 (2020: £688,466) on charitable activities, support costs and governance. Support costs including salaries was £225,090 (2020: £200,224) and included communications and marketing expenses of £3,467 (2020: £17,415). Governance costs were £16,595 (2020: £58,838 including the costs of an interim director).

At the end of its twelfth full year of operations, the Trust Fund had an end of year surplus of £478,496 (2020: £336,494) when accounting for scheduled commitments out to 2021. Provision has been made in the budget for multi-year awards in future years.

The worldwide outbreak of the Covid-19 virus represented a significant event during the year. The Trustees met in April 2020 and appropriate budget adjustments were made to allow operations to continue for two years, on a reduced basis. Actual expenditure in 2021 and 2020 was contained within the reduced budgets and the overall surplus increased by 31<sup>st</sup> December 2021. On this basis the Trustees confirm that the Trust has adequate resources to make it a going concern for the future.

### ***Reserves and investment policy***

At 31<sup>st</sup> December 2021 the Trust's total reserves were £478,496. The policy of limiting levels of forward commitments for new awards remains at 30% of the current year's grant budget.

As further reassurance, the Trustees agreed in November 2021 to raise the current reserves of £150,000 to £300,000 over the period 2022, as a reflection of the increased strategic funding being awarded. These unrestricted funds will meet, if necessary, scheduled payments on extant awards and will make funds available for support and governance costs. Currently, a sum of £100,000 is held in a Scottish Widows Bank Account and a further £50,000 is held with Charity Bank, representing 10% of pre-Covid income. No reserve funds are restricted and not available for the general purposes of the Trust at the end the reporting period. The Trustees have agreed to hold these funds in short-term notice bank accounts, in order to ensure the funds are readily available should the need arise and to avoid any of the risk of volatility that other types of investment holding might bring.

### ***Social Investment Policy***

The Trustees have determined that providing grant support to social enterprises and social businesses is an important element in developing the capacity and sustainability of the charity, community and

enterprise sectors. The Trustees believe that social investment has a role to play in this development by providing funding that might not be available from traditional sources to address social issues in line with the Trust's charitable objectives. It is not, however, part of the current policy to use the Trust's funds or reserves for further loans or equity investment in social enterprises based on the need for funds to be readily available (see Reserves Policy above).

### ***Sustainability Policy and Funder Commitment to combat Climate Change***

As a Trust, we are committed to better understanding how our operations, grant-making, and our knowledge can develop to ensure risks to climate change are mitigated. As part of this we joined other funders in early 2020, in their pledge to make a commitment to climate change. We recognise we can play a part in addressing the causes of climate change, supporting adaptations to its effects and reporting on our progress. <https://fundercommitmentclimatechange.org>

The trustees approved a Sustainability Policy in 2020 which sets out the Trust's commitment to address the effects of climate change through its operations and grant making. This is in addition to the Trust's commitment of a third of its strategic, thematic funding to sustainability.

### ***Diversity, Equality and Inclusion***

As part of its general Governance management, The Trust undertook an audit of its policies, procedures and grant making with regard to Diversity, Equality and Inclusion. This will now form the basis for work to be undertaken. The Trustees recognise that the Trust's Board membership is limited in its diversity as this is made up of family members who are typically also shareholders of the Wates Group. With this in mind, the Trust will endeavour to find ways to ensure other voices, perspectives and experiences are fed into and become part of the Trust's operational and decision-making fabric.

### ***Remuneration Policy***

The review of staff remuneration is conducted in December each year to set rates for the coming year, which are implemented from 1<sup>st</sup> April onwards. This is done as a joint exercise with the Wates Foundation with which the Trust divides the cost of the Secretariat. The review takes into account the rate of inflation and benchmarks pay scales against rates of remuneration set by a small group of other similar grant-making trusts and foundations. Decisions arising from the review are agreed by the Chairman of the Trust and Foundation and conveyed to staff in writing.

Details of the remuneration received by the Trust's highest paid member of staff are in the Notes to the Accounts. The stated amounts take account of division between the Trust and the Wates Foundation in accordance with the agreed schedule.

In accordance with FRS 102 SORP, the Trustees have reviewed the Trust's liability for untaken paid leave. They have concluded that this does not constitute a material component of total expenditure and is not further recognised in the accounts.

### ***Risk management***

The Trustees undertake a full risk audit every two years with an assurance audit in the intervening years. An assurance audit was conducted in November 2021.

The Trustees have considered the major risks and uncertainties to which the charity is presently exposed and the systems and procedures to manage those risks. The Trustees identify risk to reputation and uncertainty of income as the two key issues facing the Trust in the short to middle term.

#### ***Risk: Severely reduced income***

*Key mitigating controls already in place:*

- Scheduled payments covered by Trustees' policy on increased reserves
- Limit on the scale of future years' grant commitments
- Terms & Conditions limit liability on payments over more than one year
- Engagement with Wates Group Board allows mitigation policy in adequate time frame
- Review of annual budget in view of Covid-19 and potential impact on 2021 income
- Full Board agreement of reallocation of 2020 and 2021 budget in view of Covid-19

**Risk: Reputation:**

- Potential and actual conflicts of interests
- Support to illegal or controversial causes
- Charges of discrimination, unfairness and breach of trust

**Key mitigating controls already in place:**

- Formal Conflict of Interests policy
- Meeting declarations by attendees
- Media defensive statement policy
- Statement of themes and guidelines
- Review of strategy carried out in 2018 with wide consultation amongst Trustees and other interested parties
- External, independent review of Trust governance and ethics in Q1 2018
- Due diligence by Wates Family Charities Secretariat
- Formal policies covering complaints, confidentiality and equal opportunities

**Safeguarding Policy**

Although the Trust does not work directly with children and vulnerable young adults, it recognises that it has a responsibility to both the staff it employs and those intended to be the beneficiaries of the grants it makes. A renewed Safeguarding policy sets out the commitment to ensure all Secretariat staff receive external safeguarding training every three years.

**Impact of Covid-19 on operations**

The worldwide outbreak of the COVID-19 virus represented a significant event affecting all businesses. At a meeting of Trustees of WFET on 30<sup>th</sup> April 2020 it was agreed that:

1. The donation of £1,650,000 would last for two years, until December 2021.
2. Any commitments of multi-year grants already made to charities would be honoured.
3. There would continue to be some grant making from WFET, especially supporting employee match funding and community projects.
4. The three strategic themes would continue to receive some funding but on a reduced basis.
5. New family and group grants would be significantly cut back

At a meeting on 23<sup>rd</sup> November 2021, it was agreed that the budget for 2022 will increase to £1,500,000.

**Flexibility as a funder during the Covid-19 pandemic**

Along with a wider group of funders, the Trust recognises that the Covid-19 outbreak is an exceptional event that will continue to have an impact on civil society groups in their ability to secure finances, the disruption to their operations and the consequent stress this may cause. As such, the Trustees chose to stand with the sector and offer reassurance to its grantees that all grants would be offered in a flexible manner. As such, we are a joint signatory to the Covid-19 funders pledge. <https://covid19funders.org.uk/>

**Audit**

The Trust's accounts for 2021 were filed following the Annual General Meeting of the Trustee Board on 7<sup>th</sup> July 2022. A statement has been included setting out the Trustees' responsibility in respect of the accounts and the Annual Report.

In the case of each person who was a trustee at the time this report was approved:

- so far as each trustee was aware there was no relevant available information of which the Trust's auditors were unaware; and

- that each trustee had taken all steps that the trustee ought to have taken, as a trustee, to make himself aware of any relevant audit information and to establish that the Trust's auditors were aware of that information.

A resolution was passed at the AGM on 7<sup>th</sup> July 2022 to appoint Crowe UK LLP as auditors for 2022.

**Trustees' responsibilities in relation to the financial statements**

The Trustees (who are also Directors of Wates Family Enterprise Trust Limited for the purposes of Company law) are responsible for preparing the Trustees' Report and financial statements in accordance with applicable law and regulations.


Company law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 charitable company, including the incoming resources and the application of resources, including income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Approved by the Board on 7<sup>th</sup> July 2022 and signed on its behalf:



AEP Wates  
CHAIRMAN of TRUSTEES



## **Independent Auditor's Report to the Members of Wates Family Enterprise Trust Limited**

### **Opinion**

We have audited the financial statements of Wates Family Enterprise Trust Limited ('the charitable company') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cashflows and notes to the financial statements, including 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 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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.

### **Other information**

The trustees are responsible for the other information contained within the annual report. 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.

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 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.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is

consistent with the financial statements; and

the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

adequate and proper accounting records have not been kept; 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' directors' report and from the requirement to prepare a strategic report.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 15, 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.

### **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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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](http://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 identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR).

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.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of donation income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Board of Trustees about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

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.

#### **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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Thomas  
Senior Statutory Auditor  
For and on behalf of  
Crowe U.K. LLP  
Statutory Auditor

London

27 September 2022

**WATES FAMILY ENTERPRISE TRUST LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 31 DECEMBER 2021**

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	Notes	Total 2021 £	Total 2020 £
<b>Income and endowments from:</b>			
Grants and donations	2	825,000	831,572
Investments		386	813
<b>Total</b>		<u>825,386</u>	<u>832,385</u>
<b>Expenditure on:</b>			
Charitable activities	3	<u>(683,384)</u>	<u>(688,466)</u>
<b>Net movement in funds</b>		<u>142,002</u>	<u>143,919</u>
<b>Reconciliation of funds:</b>			
Total funds brought forward	8	<u>336,494</u>	<u>192,575</u>
<b>Total funds carried forward</b>	8	<u><u>478,496</u></u>	<u><u>336,494</u></u>

All activities are classified as continuing.

There are no recognised gains or losses other than those dealt with in the Statement of Financial Activities.

The accompanying notes form part of these financial statements.

All funds were unrestricted in 2021 and 2020.

**WATES FAMILY ENTERPRISE TRUST LIMITED**  
**BALANCE SHEET**  
**AT 31 DECEMBER 2021**

**Company number: 06648896**

	Notes	£	2021	£	£	2020	£
<b>CURRENT ASSETS</b>							
Cash at bank and in hand			599,646			644,043	
<b>TOTAL CURRENT ASSETS</b>			599,646			644,043	
<b>CREDITORS:</b> amounts falling due within one year	4		(121,150)			(307,549)	
<b>NET CURRENT ASSETS</b>				478,496			336,494
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>				478,496			336,494
<b>CREDITORS:</b> amounts falling due after more than one year	5			-			-
<b>TOTAL NET ASSETS</b>				478,496			336,494
<b>FUNDS</b>							
Unrestricted funds	8			478,496			336,494

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



.....  
A E P Wates  
Chairman of Trustees

7 July 2022

The accompanying notes form part of these financial statements.

**WATES FAMILY ENTERPRISE TRUST LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 £	2020 £
<i>Net cash provided by/(used in) operating activities</i>	10	(44,783)	88,067
<b>Cash flows from investing activities:</b>			
Interest from investments		386	813
<b>Net cash provided by investing activities</b>		<u>386</u>	<u>813</u>
<i>Change in cash and cash equivalents in the year</i>	A	(44,397)	88,880
Cash and cash equivalents at the beginning of the year		<u>644,043</u>	<u>555,163</u>
<i>Cash and cash equivalents at the end of the year</i>	11	<u>599,646</u>	<u>644,043</u>

**A ANALYSIS OF CHANGES IN NET CASH FUNDS**

	At 1 January 2021 £	Cashflows £	At 31 December 2021 £
Cash at bank and in hand	<u>644,043</u>	<u>(44,397)</u>	<u>599,646</u>
Total cash and cash equivalents	<u>644,043</u>	<u>(44,397)</u>	<u>599,646</u>

**WATES FAMILY ENTERPRISE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**1. ACCOUNTING POLICIES**

**1.1 Statement of compliance**

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2015) (Second Edition, effective 1 January 2019) applicable to charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Charities Act 2011.

The trust constitutes a public benefit entity as defined by FRS 102.

**1.2 General information**

The Charity is an incorporated private company limited by guarantee without share capital in England and Wales (company registration number: 06648896) and a charity registered in England and Wales (charity number: 1126007). The Charity's registered office is : Wates House, Station Approach, Leatherhead, Surrey, KT22 7SW.

**1.3 Preparation of accounts on a going concern basis**

After the inclusion of grant commitments there is a surplus of £478,496 on unrestricted funds as at 31 December 2021. The Trustees have considered the ability of the Trust to meet its grant commitments and its ongoing overhead costs in the light of anticipated future awards from The Wates Group and believe that it is appropriate to adopt the going concern basis of accounting.

**1.4 Significant judgements and estimation uncertainty**

The preparation of financial statements in compliance with FRS 102 required the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Charity's accounting policies. There are no significant areas where judgement was needed other than on those already included in the accounting policies.

**1.5 Funds structure**

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

**1.6 Income recognition**

Voluntary income is comprised of donations from The Wates Group. Donations are credited to the Statement of Financial Activities when the criteria for income recognition of certainty, measurement and entitlement are met.

Government grant income paid under the Coronavirus Job Retention Scheme (CJRS) has been recognised in the Statement of Financial Activities in the period to which the underlying furloughed staff costs relate to.

**WATES FAMILY ENTERPRISE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

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**1. ACCOUNTING POLICIES (continued)**

**1.7 Expenditure recognition**

Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside of the control of the Trust.

Expenditure includes any VAT which cannot be recovered, and is reported as part of the expenditure to which it relates.

**1.8 Allocation of support and governance costs**

Support costs are allocated to either charitable activities, when applied in order to meet its charitable objectives or to governance costs when costs are incurred in relation to the constitutional and statutory requirements of the Trust. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and professional fees.

**1.9 Charitable activities**

These comprise gross grants payable, plus an apportionment of support and governance costs for the year.

**1.10 Financial instruments**

Basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable are accounted for on the following basis:

*Cash and cash equivalents*

Cash and cash equivalents includes cash in hand, deposits held at banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within current liabilities.

*Debtors and creditors*

Debtors and creditors are measured at the transaction price less any provision for impairment. Any losses arising from impairment are recognized as expenditure.

**1.11 Operating leases**

Costs in respect of operating leases are charged in the statement of financial activities on a straight line basis over the term of the lease.

**1.12 Employee benefits**

*Pensions*

The charity operates a defined contribution pension scheme. The payments are charged to the statement of financial activities in the year they become payable.



**WATES FAMILY ENTERPRISE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	<b>Total 2021 £</b>	<b>Total 2020 £</b>
<b>2. GRANTS AND DONATIONS</b>		
Donations	825,000	825,000
CJRS grant	-	6,572
	<u>825,000</u>	<u>831,572</u>

**3a.**

**ANALYSIS OF CHARITABLE ACTIVITIES**

	<b>Grants £</b>	<b>Support Costs £</b>	<b>Governance Costs £</b>	<b>Total 2021 £</b>	<b>Total 2020 £</b>
Grants to institutions:					
Group projects	130,760	64,221	4,735	199,716	99,159
Themed Projects	160,978	79,063	5,829	245,870	417,291
Family projects	36,150	17,755	1,309	55,214	50,723
Community projects	20,879	10,255	756	31,890	37,055
GAYE	17,013	8,356	616	25,985	24,079
Matched funding –					
Individual	23,435	11,510	849	35,794	24,211
Matched funding - team	24,084	11,829	872	36,785	22,471
100 for 500	45,000	22,101	1,629	68,730	72,462
Sports sponsorship	-	-	0	0	4,577
Repaid grants	(16,600)	-	0	(16,600)	(63,562)
	<u>441,699</u>	<u>225,090</u>	<u>16,595</u>	<u>683,384</u>	<u>688,466</u>
	(note 6)	(note 3b)	(note 3c)		

**ANALYSIS OF CHARITABLE ACTIVITIES – 2020**

	<b>Grants £</b>	<b>Support Costs £</b>	<b>Governance Costs £</b>	<b>Total 2020 £</b>	<b>Total 2019 £</b>
Grants to institutions:					
Group projects	65,000	26,400	7,758	99,159	309,161
Themed Projects	273,541	111,102	32,648	417,291	411,786
Family projects	33,250	13,505	3,969	50,723	296,598
Community projects	24,290	9,866	2,899	37,055	20,051
GAYE	15,784	6,411	1,884	24,079	20,294
Matched funding –					
Individual	15,871	6,446	1,894	24,211	51,920
Matched funding - team	14,730	5,983	1,758	22,471	82,293
100 for 500	47,500	19,293	5,669	72,462	-
Sports sponsorship	3,000	1,218	359	4,577	3,848
Repaid grants	(63,562)	-	-	(63,562)	(141,950)
	<u>429,404</u>	<u>200,224</u>	<u>58,838</u>	<u>688,466</u>	<u>1,054,001</u>
	(note 6)	(note 3b)	(note 3c)		

**WATES FAMILY ENTERPRISE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

<b>3b. SUPPORT COSTS</b>		<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
Salaries	(Note 3d)	172,289	120,022
Rent		16,000	32,000
Travelling expenses		202	47
Subscriptions		2,435	2,066
Marketing and communications		3,467	17,415
Office expenses		30,697	28,674
		<u>225,090</u>	<u>200,224</u>
<b>3c. GOVERNANCE COSTS</b>		<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
Professional fees		9,265	52,108
Audit and accounting fees		7,330	6,730
		<u>16,595</u>	<u>58,838</u>

Governance costs include auditor's remuneration of £7,330 (2020: £6,730) and professional fees for the Acting Director.

<b>3d. STAFF COSTS AND NUMBERS</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Staff costs were as follows:		
Salaries and wages	145,209	98,441
Social security costs	15,288	13,395
Pension costs	10,137	6,607
Staff benefits	1,655	1,579
	<u>172,289</u>	<u>120,022</u>

The Wates Family Enterprise Trust Limited shares a Secretariat with the Wates Foundation. The above staff costs represent the Trust's 80% allocation of the total Secretariat cost. Following a re-structure of the Secretariat a termination payment of £16,000 (2020: £nil) was paid during the year.

The charity's share of remuneration costs including employment benefits, paid to key management personnel of the charity during the year was £89,682 (2020: £42,216).

£Nil remuneration or expenses have been paid to the Trustees (2020: £nil).

In the period, one employee received remuneration above £60,000 (2020: 0) in the bracket of £80,000 to £90,000.

	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>
Staff numbers		
Administration staff	<u>3</u>	<u>3</u>

**WATES FAMILY ENTERPRISE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

<b>4. CREDITORS: amounts falling due within one year</b>		<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
Accruals		63,578	68,658
Scheduled grant payments		57,572	238,891
		<u>121,150</u>	<u>307,549</u>
<b>5. CREDITORS: amounts falling after more than one year</b>		<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
Scheduled grant payments		-	-
<b>6. GRANT COMMITMENTS</b>		<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Grant commitments at 1 January 2021		238,891	295,558
Grants awarded	458,299		492,966
Grants rescinded	<u>(16,600)</u>		<u>(63,562)</u>
Grant commitments charged to the SOFA in the period (note 3)		441,699	429,404
Grants paid in year		<u>(623,018)</u>	<u>(486,071)</u>
Total grant commitments		<u>57,572</u>	<u>238,891</u>
Grant commitments at 31 December 2021			
Due within one year		57,572	238,891
Due after more than one year		-	-
		<u>57,572</u>	<u>238,891</u>

**7. RELATED PARTY TRANSACTIONS**

During the year, a grant of £5,000 (2020: nil) was made to Forum for the Future of which Jonny Wates is a trustee.

**2020**

A grant of £15,000 (2019: £15,000) was made to the Family Business Network International of which Andrew Wates is an ambassador.

**WATES FAMILY ENTERPRISE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

<b>8. FUNDS</b>	<b>At 1 January 2021 £</b>	<b>Surplus for the period £</b>	<b>Transfer</b>	<b>At 31 December 2021 £</b>
Unrestricted general funds	186,494	142,002	-	328,496
Designated funds	150,000	-	-	150,000
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2020	336,494	142,002	-	478,496
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

Designated funds of £150,000 have been set aside by the trustees as reserves in order to respond to scheduled grant payments and to cover support and governance costs.

<b>PRIOR YEAR FUNDS</b>	<b>At 1 January 2019 £</b>	<b>Surplus for the period £</b>	<b>Transfer</b>	<b>At 31 December 2019 £</b>
Unrestricted general funds	42,575	143,919	-	186,494
Designated funds	150,000	-	-	150,000
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 December 2019	192,575	143,919	-	336,494
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**9. TAXATION**

The Trust is exempt from corporation tax under current tax legislation as all its income is applied for charitable purposes.

**WATES FAMILY ENTERPRISE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

<b>10. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2021 £</b>	<b>2020 £</b>
<b>Net movement in funds</b>	142,002	143,919
Adjustments for:		
Decrease in debtors	-	-
(Decrease) in creditors	(186,399)	(55,039)
Interest from investments	(386)	(813)
<b>Net cash provided by/(used in) operating activities</b>	<u>(44,783)</u>	<u>88,067</u>
<b>11. ANALYSIS OF CASH AND CASH EQUIVALENTS</b>	<b>2021 £</b>	<b>2020 £</b>
Cash in hand	599,646	644,043
<b>Total cash and cash equivalents</b>	<u>599,646</u>	<u>644,043</u>

**WATES FAMILY ENTERPRISE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**13. NEW AWARDS 2021**

***Group Awards***

Bridge The Gap			£5,000
Carlisle Key			£5,000
Combat2Coffee			£5,000
EC Roberts Centre			£5,000
FUSE			£2,000
Havering MIND			£5,000
Horsham Matters			£1,000
My Yard			£2,760
Rise 365			£5,000
Sen Den			£5,000
Slough Homeless			£5,000
The Proud Trust			£5,000
<b>Total Group Grants</b>	<b>12</b>	<b>Total Award Amount</b>	<b>£50,760</b>

***Group Awards- Thinking Differently***

Embassy			£80,000
<b>Total Group Grants</b>	<b>1</b>	<b>Total Award Amount</b>	<b>£80,000</b>

***Family Awards***

Brixton Soup Kitchen		£1,000
Calvert Trust Keswick		£5,000
Forum for the Future		£5,000
Grinling Gibbons Society		£2,500
Guildford Cathedral		£500
Heritage of London Trust		£2,000
Innovations for Learning		£1,500
Positive Bones		£2,000
Starlight Children's Charity		£10,000
The Kidney Fund		£500
The Sick Children's Fund		£1,000
Tolga Talay		£150
Turn2Us		£5,000

<b>Total Family Awards</b>	<b>13</b>	<b>Total Award Amount</b>	<b>£36,150</b>
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**WATES FAMILY ENTERPRISE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**14. NEW AWARDS 2021 (continued)**

***Themed Awards***

The Difference (LOYP)		£100,000
Look Ahead (Housing)		£30,000
Smith Institute (Housing)		£27,500
Various Other		£3,478
<b>Total Themed Awards</b>	<b>5</b>	<b>Total Award Amount</b>
		<b>£160,798</b>

***Employee Fund Awards***

***Community Awards***

ACF Acorns Women		£650
Cystic Fibrosis		£1,000
Elsecar FC		£550
Harborough Town FC		£1,570
Land Aid		£1,000
Newburgh Harrocks JFC		£495
Sheldon Royals		£614
Synergy Global Alliance		£5,000
The Conservation Volunteers		£10,000

<b>Total Community Awards</b>	<b>10</b>	<b>Total Award Amount</b>	<b>£20,879</b>
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***Match Funding***

<b>Individual Match Funding</b>	<b>60</b>	<b>Total Award Amount</b>	<b>£23,435</b>
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***Team Match Funding***

Blackrod CC			£780
Bloodwise			£575
Cambridge United Youth			£555
Landaid Charitable Trust			£224
Midlands Air Ambulance			£1,265
The Conservation Volunteers			£12,250
Troop Aid			£682
Young Women's Trust			£7,753
Total Team Match	8	Total Award Amount	£24,084

**WATES FAMILY ENTERPRISE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**14. NEW AWARDS 2021 (continued)**

***100 for 500***

Total Awards	90	Total Award Amount	£45,000
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***Give As You Earn***

All Matched contributions for 2021	£17,013
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***Sports Sponsorship***

All Sports Sponsorship	0	Award amount	-
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***Total WFET Awards***

<b>Award Type</b>	<b>No of Awards</b>	<b>Award Amount</b>
Group Awards	12	£130,760
Family Awards	14	£36,150
Themed Awards	3	£160,978
Community Awards	11	£20,879
Match Funding - individual	40	£23,435
Match Funding - team	8	£24,084
Sports Sponsorship	0	-
100 for 500	95	£45,000
Give as you earn	-	£17,013
<b>Total Awards 2020</b>	<b>185</b>	<b>£458,299</b>



**WATES FAMILY ENTERPRISE TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

**14. NEW AWARDS 2021 (continued)**

**100 for 500**

1st Cholsey Scout Group	Hilltop Farm Sanctuary
1st Wickham Scout Group	Hollymount Primary School Parent Teacher Association
Alice's Arc	Holy Trinity Primary School
Andy Biddle Youth Sports Foundation	Huddersfield Society of Model Engineers
BabyAid Birmingham	If U Care Share Foundation
Basingstoke East Adventure Skills Team (B.E.A.S.T.)	Irlam Steel
Betsy Jenny Counselling and Wellbeing Cafe	JOCA (Just one click away)
Bicester Hockey Club	Joseph Rowntree Housing Trust
Bishop Wordsworth's School Parents' Association (BWSPA)	Kings Heath Cat Club
Bordon Men's Shed	Kingston Rowing Club
Bradford Organic Communities Services	Leckhampton Rovers
Bradford Study Support Network	Leeds Underdogs ARLFC
Cathedral Archers Project	Leicester Forest Rugby Club
Coombe Girls School	Leven AFC
Coton Green Primary School PTFA	Little Lifts
Cystic Fibrosis Trust	Mid Surrey Community Fridges
Derian House Children's Hospice	Migration Museum Project
Destination Florida Children's Charity	Moor Nook Allotment & Gardening Society
Different Strokes - Leeds Branch	Muffin Pug Rescue
Doorway	New Forest Bike Project
Dorset Search Dogs	Newcastle Westgate Football Club
Engage Leeds	Poole Town FC Wessex
ENTITY Morris dancers	Positive Bones
Erin go Bragh GAA	Queen Eleanor's School PSA
Feeding 50	Raynes Park Little League
Fox Hollies Community Association CIO	Read Easy
Foxhill Primary School	Reuben's Retreat
Foxwood Community Group - Acomb	Salford Loaves & Fishes
Friends of Pinner Village Gardens	Seacroft Colts Junior Football Club
Friends of Selborne School	Seneley & Garswood Junior Football Club
Friends of Thornden School (F.O.T.S/FOTS)	SPIDER-Y Limited
Fulham Reach Boat Club	St Johns C of E Primary School PTA
Fun Friends	St Marys and All Saints Primary School PTA
Halas Hawks Junior Football Club	St. Georges Crypt
Harrow Vutrix Korfbal Club	Stamford Bridge Community Pool
Heworth Cricket Club	Stoke-on-Trent Churches Community Night Shelter

Teddington Theatre Club	Waingroves Table Tennis Club
The Hospice of St Francis	Walton & Hersham Youth Football Club
The Kidney Fund	Warrington Cheer Storm
The LIFE Foundation	Wateringbury C of E Primary School
The Place of Welcome	West Midlands Anti Slavery Network
The Swan Sanctuary	Whitehouse Common Primary School
Thornaby and Ingleby Barwick (TIBS) Football Club	Wimbledon Greyhound Welfare
Tooting Community Kitchen	Wirral RUFC
Troop Aid	Wycombe Food Hub

### Minor Awards

#### ***Beneficiary organisations of Match Funding not otherwise listed above.***

Acton Medical Research	ME Research
Alzheimer's Society	Michael Sobbell Hospice
Andy Biddle Youth Sports	MIND
Barty's Foodbank	Movember
Birmingham Children's Hospital	Neo Angels
British Kidney	Notting Hill Genesis
CALM	Oracle Cancer
Cancer Research	Ordinary 2 Extraordinary
Children with cancer	Orthopaedic Research
CRUK	Papyrus
Cystic Fibrosis	Polycystic Kidney Disease
Dementia UK	Prostate Cancer
Diabetes UK	Sacred Heart Primary
EHE Rare Cancer	Saint Francis Hospice
End Youth Homelessness	St Ann's Hospice
Friends of Gibside School	St Clements
Great Ormond Street	Starlight Children's Charity
Hollymount PSA	Stroke Association
Holy Trinity	The Conservation Volunteers
Hospice St Francis	The Hospice Charity
Kids Out	The Talent Foundry
Leukaemia & Myeloma	Wolverhampton Youth Zone
Macmillan Cancer Care	Young Minds
Macmillan Cancer Support	
Mary Stevens Hospice	