

Company number: 8720416  
Charity Number: 1155360

# The VTCT Foundation

Report and financial statements  
For the year ended 31 July 2021

# The VTCT Foundation

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### For the year ended 31 July 2021

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Reference and administrative information

For the year ended 31 July 2021

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**Company number** 8720416  
**Country of incorporation** United Kingdom

**Charity number** 1155360  
**Country of registration** England & Wales

**Registered office  
and operational  
address** Aspire House  
Annealing Close  
Eastleigh  
SO50 9PX

**Trustees** Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Rosanna Preston  
Tony Lau Walker  
Prof Nichola Rumsey  
Prof Naiem Moiemem  
Dr Wendy Edwards

**Bankers** CAF Bank Ltd  
25 Kings Hill Avenue  
West Malling  
Kent  
ME19 4JQ

**Investment managers  
and custodians** abrdn (for CAF)  
Bow Bells House  
1 Bread Street  
LONDON  
EC4M 9HH

**Independent  
Examiner** Fleur Holden FCA  
Sayer Vincent LLP  
Chartered Accountants  
Invicta House  
108–114 Golden Lane  
LONDON  
EC1Y 0TL

The trustees present their report and the financial statements for the year ended 31 July 2021.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

## **Objectives and activities**

### **Purposes and aims**

The activities of the charity are grant making in the fields of vocational education, especially hair and beauty sectors, and research into the relief of disfigurement.

The charity's vision is: Supporting a better future for people with disfigurement.

The purposes of the charity are:

- 1) The advancement of education, research and public dissemination of knowledge in:
  - a. the art and technology of Health and Beauty Therapy
  - b. the skills and knowledge required for other vocational employments including those in the well-being, public and service industries
  - c. the impact and treatment of physical disfigurement and all kindred arts and sciences
- 2) the relief of sickness or poor health caused by physical disfigurement and the assistance of those with physical disfigurements, their families and carers to overcome any social, physical, psychological, emotional or other disadvantage.

The strategies employed to achieve the charity's aims and objectives are to:

- 1) partner with well managed charities and research institutions
- 2) support projects where match funding is available through grant making and consultancy
- 3) Award a mix of small and large grants to support both major long-term projects and smaller pilot projects
- 4) keep the charity's running costs to a minimum
- 5) disburse the funds over a fixed time period and not to fundraise for further funds
- 6) only fund projects carried out by UK based charities working in the UK.

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remain focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

## Achievements and performance

The charity's main activities and beneficiaries are described below. All its charitable activities focus on grant making and are undertaken to further The VTCT Foundation's charitable purposes for the public benefit.

The charity has identified that it is important that it is familiar with the needs and activities of organisations working in the field of visible difference. Therefore, the charity is funding the Appearance Collective. The Appearance Collective – an informal network – brings together researchers, clinicians and representatives of charities working with visible difference to attend conferences and workshops on topics such as fundraising, research and interventions. The aim of the Collective's strategy is to reduce duplication, encourage collaboration, and to enable all those working in the visible difference arena to stay up to date with research and projects. A secondary objective is to help charities, many of which are small, to achieve long-term sustainability and to encourage a unified voice on issues connected with visible difference.

As part of the project funded by VTCTF the Centre for Appearance Research is working closely with the Appearance Collective to identify key areas of research leading to evidence based interventions and providing bespoke training.

The ongoing pandemic and associated challenges continued to provide opportunities for Appearance Collective members to work together. The Foundation was pleased to promote and support workshops and training sessions delivered regularly through the year by Changing Faces on the topic of PR, media and assessing and addressing the impact of covid on service users. CAR also delivered workshops to members including on the subject: '*Understanding men's experiences of visible difference: Learning from an Alopecia study*'. The 2021 VTCTF Annual Showcase was delayed until the autumn and would again be virtual. Finally, a grant to improve services to adult users awarded to Changing Faces provided an opportunity for the charity to work more closely with charity providing support for the top ten appearance related conditions. The objective was to increase the reach of Changing Faces and increase the range and nature of support available to service users.

The trustees raise awareness of the charity and its work through the charity's website [www.vtctfoundation.org.uk](http://www.vtctfoundation.org.uk), membership of the Appearance Collective, and attendance and organisation of workshops and conferences.

The trustees have agreed a portfolio of grants covering a spectrum from research to patient support. Applications were received via the above website or through direct contact with patient organisations, clinicians, and researchers. Each application is assessed against the Foundation's

## **The VTCT Foundation**

### **Trustees' annual report**

#### **For the year ended 31 July 2021**

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grant making criteria and applicants are supported to make the best possible application by a part-time Grant Applications Manager.

During the year new grants included the following organisations:

- Cleft Collective £100,000
- Headlines £88,446
- Oxford Major Trauma Centre/OUH NHS Foundation Trust – Matt Hotton £47,826
- British Burns Association £20,000

Three awards were made under the Fellowship funding stream during 2020/21:

- CAR/UWE PhD Yr1 /Christa Huntington – Supporting People Affected by Burn Injuries: Development and Evaluation of an Online Resource based on Personal Experiences to Support Patients and Train Health Professionals
- North Bristol NHS/ Matt Fell – research into novel approaches to understand the link between maternal smoking and cleft lip and palate
- Queen Mary's University London/Hannah Saunders – equality law research

Plans were put in place during the year to increase fellowship activity through the launch of VTCTF's own Career Development Programme scheduled for early 2022.

#### **Small Grants Programme**

In 2018 the trustees launched a Small Grants Programme to give easier access to small charities to grants of up to £25,000. The funds are to support charities working in the visible difference field, to enable them to achieve a step change and build their capacity and impact. The first grants were awarded in September 2018, and in total just over £310,000 was awarded to 13 organisations.

The trustees decided to continue with a second round of funding, launching in the last quarter of 2019, and this continued into 2020.

#### **New Ways of Working**

As a response to the challenges experienced by charities as a result of the Covid pandemic the trustees decided to supplement the small grants with an additional funding stream 'New Ways of Working'. This launched on 1 June 2020, intending to run until 31 December 2020. As the pandemic continued in to 2021, this funding stream has been extended.

Grants are awarded as either:

- Small grants to help organisations reinvent service delivery by developing digital capability and virtual capacity; or
- Larger grants to enable remodelling and redesigning how the charity operates for maximum impact and effectiveness in a post coronavirus world.

During the year to 31 July 2021, grants totalling £368,578 were made to 10 organisations (2020: £108,729 to 7 organisations) under the small grant and New Ways of Working programmes.

## **Financial review**

The only income received by the charity is bank interest and investment income. The charity does not actively raise funds from other sources.

Total expenditure during the year was £796,448 of which £773,290 (97.1%) related to grants. (2020: Total £375,014 of which grants were £352,732 (94.1%)). This is after accounting for a £60,000 repayment of an unused grant awarded in a previous accounting period.

Where grants cross a number of years, they have been discounted within the financial statements in accordance with FRS 102.

## **Reserves policy and going concern**

The charity was formed through a grant from the Vocational Training Charitable Trust of £8.58 million in 2015. The trustees envisage utilising these funds over 10 years to pursue the charity's objects and as such, expect the reserves available to reduce as the charity continues grant making. At 31 July 2021 the charity had unrestricted reserves of just under £5.58 million (2020 £5.60m). Of this £605,000 is held in the designated fund the trustees have earmarked for the Fellowship programme.

The charity has minimal operating costs and the trustees believe there are sufficient reserves available for the charity's operational life.

## **Structure, governance and management**

The organisation is a charitable company limited by guarantee, incorporated on 7 October 2013, and registered as a charity on 16 January 2014.

The company was established under a memorandum of association and is governed under its articles of association which state the objects and powers of the charitable company. All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 5 to the accounts.

## **Appointment of trustees**

Trustees are appointed by application and interview. The charity has identified the skills mix needed for the Board and invited a range of applicants with relevant skills to apply. Applicants are interviewed by current board members and given an induction on the work of the charity and the role of a trustee.

## Related parties and relationships with other organisations

The charity has no subsidiary entities.

As previously stated, the Centre for Appearance Research works closely with the Appearance Collective as part of the project funded by the VTCT Foundation. Prior to joining the Board of the Foundation Prof. Nichola Rumsey retired as Professor at the Centre for Appearance Research ('CAR') at the University of the West of England. She remains Professor Emerita.

Dr Wendy Edwards was the chair of Headlines Craniofacial Support ('Headlines') until June 2021, and her husband is also a trustee of Headlines.

During 2021 a Fellowship of £90,000 to cover three years from 1 October 2020 was awarded to fund a PhD at UWE which will be hosted by CAR. A key output will be a burns 'Health Talk'. Additionally, a grant of £47,826 was awarded to the Oxford University Hospitals NHS Trust Facial Palsy Unit for a project that will be carried out with input from Facial Palsy UK and CAR.

An award of £88,445 was made to Headlines in 2021 to cover a 21-month project starting in August 2021 to create and evaluate bespoke adult online resources. This award was made after thorough discussion by the trustees, and by unanimous agreement by all the trustees excluding Dr Edwards. This work will be largely carried out in collaboration with CAR.

In 2020 CAR received £20,000 as a New Ways of Working grant, and Headlines received a New Ways of Working grant of £10,500. Dr Edwards was not present when the decision was taken to make the grant.

## Statement of responsibilities of the trustees

The trustees (who are also directors of The VTCT Foundation for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the 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
- State whether applicable UK Accounting Standards and statements of recommended practice 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 charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 July 2021 was 7 (2020:7). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The trustees' annual report has been approved by the trustees on 13 December 2021 and signed on their behalf by

Tony Lau Walker  
Chair of trustees

## **Independent examiner's report**

### **To the trustees of**

### **The VTCT Foundation**

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I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 July 2021.

This report is made solely to the trustees as a body, in accordance with the Charities Act 2011. My examination has been undertaken so that I might state to the trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for my examination, for this report, or for the opinions I have formed.

## **Responsibilities and basis of report**

As the trustees of the charity (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

## **Independent examiner's statement**

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

- 1 Accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 The accounts do not accord with those records; or
- 3 The accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- 4 The accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

Fleur Holden FCA

Sayer Vincent LLP, Invicta House, 108–114 Golden Lane, London, EC1Y 0TL

14 December 2021

# The VTCT Foundation

## Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 July 2021

	Note	2021 £	2020 £
<b>Income from:</b>			
Investments	2	90,213	117,677
<b>Total income</b>		<b>90,213</b>	<b>117,677</b>
<b>Expenditure on:</b>			
Charitable activities			
Grant Making	3	796,448	375,014
<b>Total expenditure</b>		<b>796,448</b>	<b>375,014</b>
<b>Net (expenditure) before net gains/(losses) on investments</b>		<b>(706,235)</b>	<b>(257,337)</b>
Net gains/(losses) on investments	8	683,863	(269,593)
<b>Net expenditure for the year and net movement in funds</b>	5	<b>(22,372)</b>	<b>(526,930)</b>
<b>Reconciliation of funds:</b>			
Total funds brought forward		5,600,777	6,127,707
<b>Total funds carried forward</b>		<b>5,578,405</b>	<b>5,600,777</b>

All of the above results are derived from continuing activities and relate to unrestricted funds. There were no other recognised gains or losses other than those stated above.

# The VTCT Foundation

## Balance sheet

Company no. 8720416

As at 31 July 2021

	Note	£	2021 £	£	2020 £
<b>Fixed assets:</b>					
Investments	8		<b>6,375,651</b>		6,304,525
			<b>6,375,651</b>		6,304,525
<b>Current assets:</b>					
Debtors	9	<b>60,000</b>		–	
Cash at bank and in hand		<b>451,639</b>		592,656	
		<b>511,639</b>		592,656	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	10	<b>(908,431)</b>		(667,927)	
<b>Net current assets/(liabilities)</b>			<b>(396,792)</b>		(75,271)
<b>Total assets less current liabilities</b>			<b>5,978,859</b>		6,229,254
Creditors: amounts falling due after one year	11		<b>(400,454)</b>		(628,477)
<b>Total net assets</b>			<b>5,578,405</b>		5,600,777
<b>The funds of the charity:</b>	13a				
Unrestricted income funds:					
Fair value reserve		<b>862,297</b>		380,646	
Designated funds		<b>604,132</b>		800,000	
General funds		<b>4,111,976</b>		4,420,131	
Total unrestricted funds			<b>5,578,405</b>		5,600,777
<b>Total charity funds</b>			<b>5,578,405</b>		5,600,777

The opinion of the trustees is that for the year ended 31 July 2021 the company was entitled to the exemptions conferred by Section 477 of the Companies Act 2006 relating to small companies.

The trustees acknowledge the following responsibilities:

- (i) The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476
- (ii) The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 13 December 2021 and signed on their behalf by

Tony Lau Walker  
Chair of Trustees

The VTCT Foundation

Statement of cash flows

For the year ended 31 July 2021

	Note	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
<b>Net cash (used in) operating activities</b>	a)		<b>(843,967)</b>		<b>(670,419)</b>
<b>Cash flows from investing activities:</b>					
Interest and dividends from investments		90,213		117,677	
Purchase of investments		(1,746,776)		(866,127)	
Proceeds from sale of investments		2,359,513		1,352,054	
<b>Net cash provided by investing activities</b>			<b>702,950</b>		<b>603,604</b>
<b>Change in cash and cash equivalents in the year</b>			<b>(141,017)</b>		<b>(66,815)</b>
Cash and cash equivalents at the beginning of the year			592,656		659,471
<b>Cash and cash equivalents at the end of the year</b>			<b>451,639</b>		<b>592,656</b>

Reconciliation of net (expenditure) to net cash flow from operating activities

	2021 £	2020 £
<b>Net (expenditure) for the reporting period (as per the statement of financial activities)</b>	<b>(22,372)</b>	<b>(526,930)</b>
Gains on investments	(683,863)	269,593
Dividends and interest from investments	(90,213)	(117,677)
(Increase) in debtors	(60,000)	–
Increase/(decrease) in creditors	12,481	(295,405)
<b>Net cash (used in) operating activities</b>	<b>(843,967)</b>	<b>(670,419)</b>

**1 Accounting policies**

**a) Statutory information**

The VTCT Foundation is a charitable company limited by guarantee and is incorporated in England.

The registered office address is Aspire House, Annealing Close, Eastleigh, SO50 9PX.

**b) Basis of preparation**

The financial statements have been prepared in accordance with 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) – (Charities SORP FRS 102), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. 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. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

**c) Public benefit entity**

The charitable company meets the definition of a public benefit entity under FRS 102.

**d) Going concern**

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. Investments are drawn down when they are needed to pay grant and other commitments as they fall due.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

**e) Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

**f) Investment income**

Investment income is included in the statement of financial activities when receivable.

**g) Fund accounting**

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

**h) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure on charitable activities includes the costs of grant making undertaken to further the purposes of the charity and their associated support costs.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**1 Accounting policies (continued)**

**i) Grants payable and refunded**

Grants payable are made to third parties in furtherance of the charity's objects. 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 that any condition attaching to the grant is outside of the control of the charity.

Where grant commitments are made for periods due in more than one year, these are discounted to their present value, based on a rate in line with the expected rate of return on investments.

Grants repaid by recipients who have been unable to use the funds as given are accounted for on the earlier of receipt of the repayment or when the charity has confirmed that repayment will be made. The repayment is shown as a reduction in the overall expenditure on grants in the year in note 4. Any repayments due but not received by the year end are also shown as debtors.

**j) Allocation of support and costs**

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

As the sole activity of the charity is grant making, support and governance costs are both allocated in full to the grant making activity.

**k) Listed investments**

Investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. 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. The charity does not acquire put options, derivatives or other complex financial instruments.

**l) Cash at bank and in hand**

Cash at bank and cash 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.

**m) Creditors**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

**n) Financial instruments**

The charity has both basic and non-basic financial assets and financial liabilities. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value using the effective interest method. Non-basic financial instruments are measured at fair value with any gain or loss going to the statement of financial activities. Full details are given in the financial instruments note.

Notes to the financial statements

For the year ended 31 July 2021

2 Income from investments

	2021 Total £	2020 Total £
Bank deposits	2,492	2,687
Investment income	87,721	114,990
	<b>90,213</b>	<b>117,677</b>

All income from investments is unrestricted

3 Analysis of expenditure

a. Current year	Grant making £	Governance costs £	Support costs £	2021 £	2020 £
Grants payable (note 4)	760,460	–	–	760,460	337,688
Discounts unwound	12,830	–	–	12,830	15,044
Insurance	–	–	778	778	570
Independent examination fees	–	2,760	–	2,760	2,520
Other professional fees	15,658	1,500	2,203	19,361	18,617
Trustee expenses	–	–	–	–	246
Other costs	–	–	259	259	329
	<b>788,948</b>	<b>4,260</b>	<b>3,240</b>	<b>796,448</b>	<b>375,014</b>
Support costs	3,240	–	(3,240)	–	–
Governance costs	4,260	(4,260)	–	–	–
Total expenditure	<b>796,448</b>	<b>–</b>	<b>–</b>	<b>796,448</b>	<b>375,014</b>

b. prior year	Grant making	Governance costs	Support costs	2020
Grants payable (note 4)	337,688	–	–	337,688
Discounts unwound	15,044	–	–	15,044
Insurance	–	–	570	570
Independent examination fees	–	2,520	–	2,520
Other professional fees	14,117	1,500	3,000	18,617
Trustee expenses	–	246	–	246
Other costs	–	192	137	329
	<b>366,849</b>	<b>4,458</b>	<b>3,707</b>	<b>375,014</b>
	<b>366,849</b>	<b>4,458</b>	<b>3,707</b>	<b>375,014</b>
Support costs	3,707	–	(3,707)	–
Governance costs	4,458	(4,458)	–	–
Total expenditure	<b>375,014</b>	<b>–</b>	<b>–</b>	<b>375,014</b>



## Notes to the financial statements

For the year ended 31 July 2021

## 4 Grants payable

	Main grant £	Small grant/ New Ways of Working £	Total commitment £	Effect of discounting £	2021 £	2020 £
<b>Fellowships</b>						
UWE Partnership PhD	90,000	–	90,000	(1,429)	<b>88,571</b>	–
North Bristol NHS Cleft Research	50,000	–	50,000	–	<b>50,000</b>	–
Queen Mary University of London/Hannah Saunders	54,439	–	54,439	–	<b>54,439</b>	–
University of Oxford – Wilkie Fellowship	–	–	–	–	–	196,694
<b>Other grants</b>						
Cleft Collective	100,000	–	100,000	–	<b>100,000</b>	–
Headlines (NWW in 2020)	88,446	–	88,446	–	<b>88,446</b>	10,500
Oxford University Hospitals NHS Foundation Trust – Facial Palsy UK/CAR	47,826	–	47,826	–	<b>47,826</b>	–
British Burn's Association	20,000	–	20,000	–	<b>20,000</b>	–
Alopecia UK	–	26,487	26,487	–	<b>26,487</b>	24,768
Birmingham Women's and Children's	–	17,168	17,168	–	<b>17,168</b>	–
Caring Matters Now	–	24,971	24,971	–	<b>24,971</b>	–
Centre for Appearance Research (NWW)	–	–	–	–	–	20,000
Changing Faces	–	123,000	123,000	–	<b>123,000</b>	–
Child Accident Prevention Trust	–	24,980	24,980	–	<b>24,980</b>	–
Children's Burns Trust	–	14,219	14,219	–	<b>14,219</b>	–
CLAPA Scotland	–	–	–	–	–	35,291
CLAPA (NWW grant)	–	–	–	–	–	30,000
CLEFT – Bridging the Gap	–	22,000	22,000	–	<b>22,000</b>	–
Debra	–	–	–	–	–	13,824
Dan's Fund for Burns	–	–	–	–	–	9,000
Eczema Outreach Support	–	22,066	22,066	–	<b>22,066</b>	–
Facial Palsy UK	–	68,687	68,687	–	<b>68,687</b>	–
MACS	–	25,000	25,000	–	<b>25,000</b>	–
The Appearance Collective	2,600	–	2,600	–	<b>2,600</b>	4,550
Lipidostrophy UK	–	–	–	–	–	637
Scar Free Foundation *	(60,000)	–	(60,000)	–	<b>(60,000)</b>	–
University of Sheffield*	–	–	–	–	–	(4,990)
Katie Piper*	–	–	–	–	–	(2,586)
	<b>393,311</b>	<b>368,578</b>	<b>761,889</b>	<b>(1,429)</b>	<b>760,460</b>	<b>337,688</b>

\* Grant underspend released/repaid by recipient.

Where grants payments are due in more than one year, these are discounted back to present value in line with the charity's accounting policies.

## 5 Net (expenditure) for the year

This is stated after charging:

	2021 £	2020 £
Independent examiner's fees (excluding VAT)	<b>2,200</b>	<b>2,200</b>

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £Nil (2020: £246) incurred by 0 trustees (2020: 3) relating to attendance at meetings of the trustees and other meetings related to the work of the Foundation.

Notes to the financial statements

For the year ended 31 July 2021

**6 Related party transactions**

Professor Nichola Rumsey provides consultancy to the Centre for Appearance Research (CAR) at the University of the West of England (UWE). A £1m grant was awarded to UWE/CAR in 2018 and the first two annual £200,000 tranches paid under the grant agreement before Professor Rumsey became a trustee of VTCT Foundation.

During 2021 a Fellowship of £90,000 to cover three years from 1 October 2020 was awarded to fund a PhD at UWE which will be hosted by CAR. Additionally, a grant of £47,826 was awarded to the Oxford University Hospitals NHS Trust Facial Palsy Unit for a project that will be carried out with input from Facial Palsy UK and CAR. A small grant of £20,000 was made to CAR in 2020. Payments to CAR require approval by all the other trustees rather than a simple majority.

Dr Wendy Edwards was the chair of Headlines Craniofacial Support until June 2021 and her husband continues to be a trustee of Headlines. Headlines received a grant in July 2020 of £10,500. A further award of £88,486 was made in 2021 to cover 2 years funding of a research post. Dr Edwards did not take part in the grant decision and the awards were unanimously agreed by the remaining trustees after thorough review. This work will be largely carried out in collaboration with CAR.

There are no other related party transactions to disclose for 2021 (2020: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

**7 Taxation**

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

**8 Investments**

	2021 £	2020 £
Fair value at the start of the year	6,304,525	7,060,045
Additions at cost	1,746,776	866,127
Disposal proceeds	(2,359,513)	(1,352,054)
Net gain on change in fair value	683,863	(269,593)
	<u>6,375,651</u>	<u>6,304,525</u>

Investments comprise:

	2021 £	2020 £
UK Common investment funds	6,375,651	6,304,525
	<u>6,375,651</u>	<u>6,304,525</u>

Notes to the financial statements

For the year ended 31 July 2021

9 Debtors

	2021 £	2020 £
Unused grant refund	60,000	–

10 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	10,820	7,446
Grants payable	894,971	657,961
Accruals	2,640	2,520
	908,431	667,927

11 Creditors: amounts falling due after one year

	2021 £	2020 £
Grants payable	400,454	628,477

12 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.

13a Movements in funds (current year)

	At 1 August 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 July 2021 £
Fair value reserve	380,646	481,651	–	–	862,297
Designated fund – Fellowships	800,000	–	(194,439)	(1,429)	604,132
General funds	4,420,131	292,425	(602,009)	1,429	4,111,976
<b>Total unrestricted funds</b>	<b>5,600,777</b>	<b>774,076</b>	<b>(796,448)</b>	<b>–</b>	<b>5,578,405</b>

The fair value reserve represents the difference between the current fair value of the investments and their historic cost.

**Purpose of designated fund**

The trustees support suitable PhD scholars through a new Fellowship programme which commenced in 2020. An initial £1m was set aside to support this and will be reviewed on an annual basis subject to levels of interest and suitability of applicants.

The first award was made during 2020, with a total undiscounted commitment of up to £200,000, and a further three awards were made in 2021. The discounted award amount is charged to expenditure in the financial year the award is made. The balance representing the discount which will be unwound in future accounting periods has been transferred to general funds so that the remaining fund balance represents funds available for future awards.

13b Movements in funds (prior year)

	At 1 August 2019 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 July 2020 £
Fair value reserve	735,967	–	(269,593)	(85,728)	380,646
Designated fund – Fellowships	1,000,000	–	(196,694)	(3,306)	800,000
General funds	4,391,740	117,677	(178,320)	89,034	4,420,131
<b>Total unrestricted funds</b>	<b>6,127,707</b>	<b>117,677</b>	<b>(178,320)</b>	<b>–</b>	<b>5,600,777</b>