

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

England & Wales · Charity number 1155919

Details

Other names	DAVID FORBES-NIXON CHARITABLE FOUNDATION, DFN CHARITABLE FOUNDATION
Status	Registered
Legal form	Charitable company
Company number	08906571
Registered	2014-02-24
Register	View on the Charity Commission register

Contact

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Website www.dfnfoundation.org

Activities

Objects: THE CHARITY'S OBJECTS ARE SPECIFICALLY RESTRICTED TO ALL PURPOSES THAT ARE EXCLUSIVELY CHARITABLE UNDER THE LAW OF ENGLAND AND WALES.

Activities: The DFN Foundation is a grant-making charity that combines funding and strategic support to initiate positive change across four key areas, disability education, disability employment, myeloma cancer research and conservation

Classification

- **How:** Makes Grants To Organisations, Provides Buildings/facilities/open Space, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, Disability, Animals, Environment/conservation/heritage
- **Who:** Children/young People, People With Disabilities, Other Charities Or Voluntary Bodies, Other Defined Groups

Geography

- Kenya
- Scotland
- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£319,012	£595,604	-	-
2023-12-31	£320,068	£566,940	-	-
2022-12-31	£419,158	£653,749	-	-
2021-12-31	£407,193	£1,174,674	-	-
2020-12-31	£454,906	£1,538,705	-	-

Trustees

Name	Role	Appointed
DAVID FORBES-NIXON	Chair	2014-01-28
Eric William Low		2017-02-20
Harry Forbes-Nixon		2023-09-01
James Dickson		2014-01-28
Nicola Brentnall		2024-06-20
SIMON NICHOLAS KONSTA		2016-06-06
Tom O'Beirne		2023-12-20

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

England & Wales - Charity number 1155919

Accounts

Annual Report

Annual Report and Accounts 2024





David Forbes-Nixon Family Charitable Foundation

Annual report and financial statements for the year ended 31 December 2024



Legal and administrative information

Trustees	Mr D Forbes-Nixon OBE Mr J D L Dickson Mr S N Konsta Mr E W Low OBE Mr H P Forbes-Nixon Mr T O'Beirne Ms N C Brentnall MVO (appointed 20 June 2024)
Executive Director	Philippa Charles OBE
Charity number	1155919
Company number	08906571
Principal address	8–10 Grosvenor Gardens London SW1W 0DH
Registered office	8–10 Grosvenor Gardens London SW1W 0DH
Auditor	Dixon Wilson Audit Services LLP 22 Chancery Lane London WC2A 1LS
Bankers	Barclays 1 Churchill Place Canary Wharf London E14 5HP CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling ME19 4JQ Killik & Co 46 Grosvenor Street Mayfair London W1K 3HN
Accountants	Humphrey & Co 7–9 The Avenue Eastbourne East Sussex BN21 3YA
Solicitors	Macfarlanes LLP 20 Cursitor Street London EC4A 1LT



Contents

Chairman's introduction	4
Executive Director's report	6
Introduction	8
Trustees report	17
Statement of Trustees responsibilities	24
Independent auditors report	25
Statement of financial activities	29
Balance sheet	30
Statement of cash flows	32
Notes to the financial statements	33



Chairman's introduction

I am delighted to introduce this year's annual report, rounding off eleven years of the David Forbes-Nixon Family Charitable Foundation (DFN Foundation) and heralding a fresh new chapter, which is very exciting. When I established the DFN Foundation in 2014, I was keen to focus on issues that I and my family have knowledge and experience of, and where there was a clear, unmet need to which our funding, business mindset and strategic support could make a positive difference. We've held onto that vision and it's still the case today.

The areas we focus on are the education and employment of those with disabilities, myeloma cancer research, and wildlife conservation, as these are the areas we know and care deeply about. Where possible, we find strategic partners to build on what already exists to avoid duplicating effort and, alongside our funding, we use our knowledge and contacts to help organisations develop their strategy, funding and operating model for greater impact.

If a suitable partner or existing infrastructure doesn't already exist in an area where we wish to make a difference, we may initiate or build an organisation ourselves. In disability education, we worked with local partners to create the Undershaw Education Trust which, just as this report is being finalised, has been rated as Outstanding across the board by Ofsted – a testament to the skill and dedication of the talented staff, the hard work of the students and the support of the local community. In disability employment, we also began a new organisation with DFN Project SEARCH, which is now the largest and most successful independent charity supporting young people with special needs to gain paid employment through supported internships across the country.

Whilst we have established a track record of success and have retained close relationships with our key strategic partners, there is still much to do and we are now looking to build on our experience to 'move the dial' on our key priorities. I anticipate launching new partnerships in addition to strengthening others we already have. We aim to create a series of Scholarships for talented young disabled people who are studying for a master's degree. These scholars will be exceptional individuals who aspire to careers in business, policy or government and, over time, can develop into a cadre of powerful leaders who inspire others, shape policy and create opportunities for disabled people.



I am also delighted to welcome, as our first Executive Director, Philippa Charles who joined us in November 2024, and whose experience across business and the charity sector will enable us to deepen the roots of our work. We are thrilled to have her on board. Also, I would like to thank our talented Board for giving their time and expertise so generously; they bring a range of experiences from across education, business, conservation and the charity sector to support and challenge us to make the most positive difference possible. While there will be challenges ahead, we are optimistic about the opportunities to build new partnerships, collaborate well and create greater impact in our work. I hope you enjoy this annual report.

David Forbes-Nixon OBE



Executive Director's report

I am delighted to have joined the DFN Foundation and to have the opportunity to work with such high-quality partners, a small but experienced team and a highly engaged Chair and Board, all of whom create a vibrant and very special combination.

I've been fortunate to have worked with some wonderful organisations and people across both the business and charity sectors and, over the past 17 years in philanthropy, I've had the extraordinary privilege of giving away over £1 billion in funding, so it feels very exciting to have joined the DFN Foundation at such a pivotal time as we look ahead to our next ten years.

As I have been finding my feet, I have been very struck by how much there is to build on – the DFN Foundation has deep experience and credibility having initiated and scaled up successful interventions which, ten years later, are now independent organisations making a significant difference in their respective fields.

As David said in his introduction, we have much to do but there are many reasons to approach our work with positivity and vigour – we are clear about the areas we focus on, and these are built on the knowledge and experience of our Chair and his family. We also have the resources and knowledge to support our expert partners who demonstrate excellence in their fields and from whom we learn every day.

I am grateful for the welcome I have received and for the generosity of so many kind and talented people who have given me their time and advice as I develop my knowledge further – the supportive nature of our sector never ceases to inspire me, and I have no doubt these connections will forge new collaborations and partnerships in future.

On the following pages we have included some information to showcase the important work of our partners; we hope you enjoy reading about what they do and why we believe in them.

Philippa Charles OBE



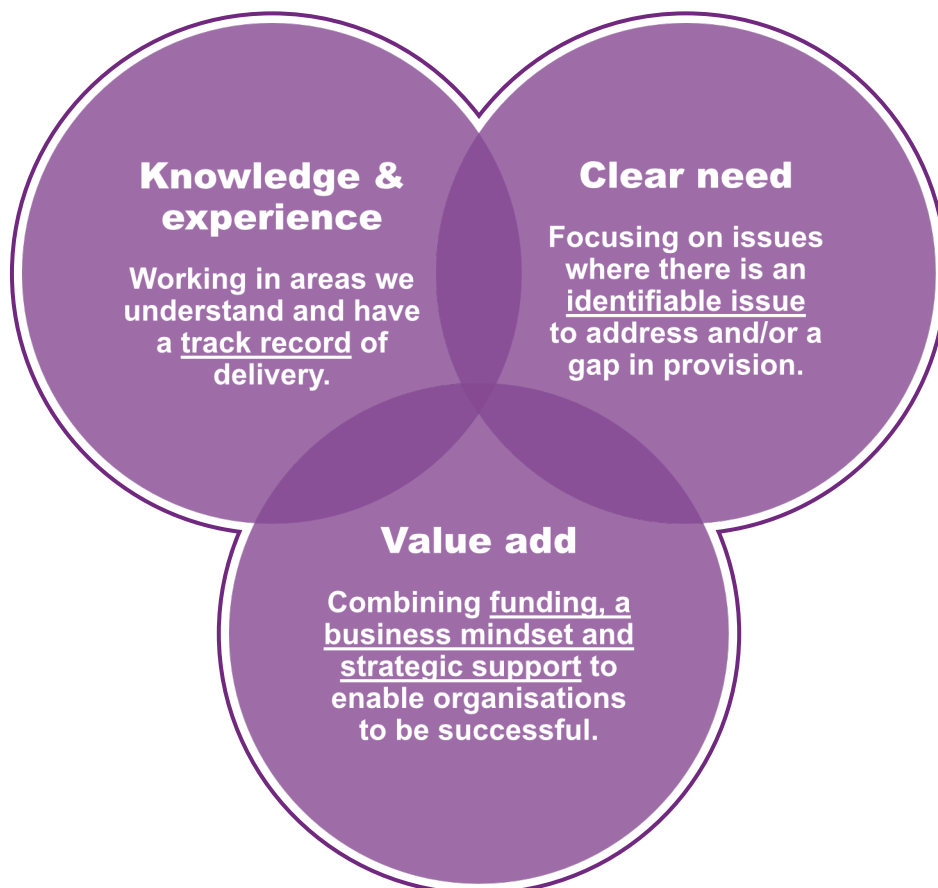
Undershaw Education Trust



Introduction

For over a decade, the DFN Foundation has focused on issues relating to the knowledge and experience of our founder and his family, and a Board and small team with relevant expertise to complement our focus areas. These areas, which we call our 'pillars' are disability education, disability employment, myeloma cancer research, and conservation.

Our approach to creating positive change is underpinned by three things: issues we understand; identifying a clear need; and working where we believe our funding, skills and resources can add the most value. By combining funding, a business mindset and strategic support, the DFN Foundation is proud to have built impactful partnerships. Last year we were proud to celebrate our tenth anniversary and held a special event to mark the occasion. We also released an Impact Report which is available on our website. On the following pages we showcase our partnerships and their important work.





Undershaw Education Trust

Undershaw is a unique school dedicated to providing an outstanding education for students with special educational needs and disabilities.

In 2016, following a £7.5 million investment by the DFN Foundation, the school opened at Undershaw in Surrey in the former home of Sir Arthur Conan Doyle, the creator and author behind Sherlock Holmes. The DFN Foundation is proud of its partnership with Undershaw and continues to support the school and promote the development of best practice in special needs education to deliver effective, life-altering outcomes for young people with learning difficulties, disabilities and autism. The school is well-established, with a dedicated team of staff supporting over 100 students and their families every year and, just as this report was being finalised, it was rated as 'Outstanding' across the board by Ofsted. The DFN Foundation is delighted to thank and acknowledge the dedication and support of the staff, families, pupils, volunteers and local community, all of whom have played key roles in Undershaw's success.

Undershaw offers a nurturing, yet ambitious environment; its specialised education balances personalised support with an innovative approach to learning and a strong focus on life skills and employability. The curriculum, which is flexible and tailored to meet the individual needs of each student, includes bespoke qualification pathways, personalised pastoral care and integrated therapeutic support and work experience.

Reflecting the DFN Foundation's commitment to creating opportunities for those with disabilities, the school also places a strong emphasis on employability education, aiming to motivate students and guide them in considering a range of future options. This includes post-16 education pathways and transitioning to the workforce, with impartial, inclusive guidance tailored to each student's needs and aspirations.

The DFN Foundation continues to support the school, ensuring that Undershaw can maintain its high standards and continue offering a supportive and tailored education for its students.



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The partnership between the DFN Foundation and Undershaw is at the heart of our mission to provide an inspiring, inclusive and nurturing learning environment for students with SEND. As the owners of the historic Undershaw building, the DFN Foundation ensures that our students have a truly unique place to learn – one that fosters growth, ambition, and a sense of belonging. We are proud to align with the DFN Foundation, particularly through DFN Project SEARCH, as employability remains central to our ethos and the Undershaw Diploma is a standout feature of our provision that ensures that pupils gain essential workplace skills while also becoming active and valued members of the local community.

Emma West, Headteacher, Undershaw School



DFN Project SEARCH

Established by the DFN Foundation in 2018, DFN Project SEARCH is now a national, independent charity that addresses the significant gap in employment for young adults with a learning disability or autism spectrum condition.

The charity delivers a one-year transition-to-work programme for young adults with learning disabilities, autism or both, with a mission to reduce the stark contrast between the 4.8% of people with a learning disability in England (or 4.1% in Scotland) who secure paid employment versus 80% of their non-disabled peers.

The charity now works with over 200 public and private sector organisations across the UK, offering supported internships to over 1,400 young people annually, in their last year of education, empowering them to enter the workforce with confidence. On average, over 60% of DFN Project SEARCH graduates move into full-time permanent roles following their supported internship, with 70% securing jobs overall, significantly surpassing the national average employment rate for people with disabilities. Since it was founded, DFN Project SEARCH has supported over 2,600 interns into full-time meaningful employment and aims to help 10,000 young adults into paid employment by 2030, and 20,000 by 2034.

The charity continues to grow through its involvement in wider initiatives like the Internship Work Consortium, backed by the Department for Education, and the creation of the Supported Internship Quality Assurance Framework. As a force for change, DFN Project SEARCH continues to meaningfully engage with policymakers, employers and colleges to create more opportunities for people with disabilities.



We are incredibly grateful to the DFN Foundation for supporting our work and its longstanding commitment to our ambitions as a charity to make a real difference to the lives of young adults with a learning disability and/or autism. The DFN Foundation's provision of unrestricted support has meant that we have had the flexibility to invest those funds where they are most needed, and has been critical in enabling us to continue to expand our programmes across the UK and support more young adults than ever. Their early support and endorsement has also been instrumental in enabling us to grow our fundraised income.

Kirsty Matthews, CEO, DFN Project SEARCH



Disability Employment Charter

At the DFN Foundation, our mission to create life-changing employment opportunities for young adults with a learning disability is at the heart of our work. One of the main initiatives in advancing this mission has been our role as a founding member and funder of the Disability Employment Charter (DEC), launched in 2021, aiming to drive systemic change.



The DFN Foundation's commitment for the Disability Employment Charter is extremely welcome. The Charter has made significant strides in promoting the adoption of a set of government policies aimed at addressing the disadvantage disabled people experience in the labour market. The support from the DFN Foundation is critically important in enabling us to continue this work.

Kim Hoque, Professor of Human Resource Management, King's Business School

Developed in collaboration with Disability Rights UK, Disability@Work, Leonard Cheshire, Scope, the Shaw Trust Foundation, UNISON and the University of Warwick, the Charter outlines a comprehensive framework aimed at addressing systemic barriers to employment faced by individuals with disabilities. We are delighted to work with Professor Kim Hoque who has given significant impetus to this important work.

The Charter advocates for critical government reforms across nine key areas to improve employment outcomes, including mandatory disability employment and pay gap reporting,

enhancing the Access to Work programme, strengthening the Disability Confident scheme, and ensuring government procurement processes promote inclusive employment practices. Additionally, it emphasises the importance of providing timely and effective reasonable adjustments to support individuals in the workplace.

Since its launch, the Disability Employment Charter has gained significant momentum, with over 230 signatories from across the UK to date, representing a diverse range of organisations. This includes leading disability charities such as Mind, National Autistic Society, Mencap, and Sense, as well as prominent corporations like McDonald's, Herbert Smith Freehills, and PageGroup. The number of signatories continues to grow, and this underscores the widespread support for the Charter's proposals and the potential to create a more inclusive workforce.

The DFN Foundation is proud to be playing a pivotal role in establishing and supporting the Charter, reinforcing our commitment to driving change and ensuring that individuals with disabilities can achieve their career aspirations.



The Pangolin Project



The Pangolin Project

The DFN Foundation has partnered with The Pangolin Project (TPP) to protect the habitat of the Giant Ground Pangolin and other key species. Inspired by the knowledge and experience of the DFN Foundation's Vice Chair Harry Forbes-Nixon, who is a qualified safari guide, the DFN Foundation is committed to habitat preservation and conservation, underpinned by sustainable livelihoods and income for the local community.

Pangolins, especially the Giant Ground Pangolin, are facing a critical risk of extinction. The Great Ground Pangolin, which inhabits the Nyekweri Forest on the western edge of the Maasai Mara in Kenya, is particularly vulnerable due to their target status for poachers, while deforestation and land use changes threaten its habitat and food sources. The focus of the DFN Foundation's partnership with TPP is to support their work to halt deforestation, while engaging with local communities, landowners and conservation organisations to create long-term commitments to protect wildlife and promote sustainable land use.

As part of this effort, TPP aims to secure 10,000 hectares of land for conservation in the Nyekweri Forest, which is an area of exceptionally high biodiversity. Securing the land involves signing 10–15 year extendable leases with local landowners, legally committing them to sustainable and safe land-use, instead of harmful activities like charcoal burning.

In its first grant year, TPP has made significant progress, developing a detailed strategic plan with actions to move towards sustainable funding. It has also built a dedicated staff team to manage and monitor the area, who are creating positive engagement with the local community and introducing measurable indicators to track progress. This will be the most biodiverse area under a community conservancy model, and one of the largest reforestation projects in Kenya, making it a project of national and international significance.



Support from the DFN Foundation has been transformational for The Pangolin Project. Thanks to their partnership we have been able to respond to the critical need in Nyekweri and implement programmes to ensure the survival of the Giant Ground Pangolin. They have been an incredible partner and friend to TPP.

Claire Okell, CEO, The Pangolin Project





Advancing breakthrough treatments for high-risk myeloma

The DFN Foundation is deeply committed to advancing healthcare solutions, with a particular focus on myeloma, a form of blood cancer that claimed the life of Jacquelin Forbes-Nixon in 2008.

Inspired by Jacquelin, the DFN Foundation committed to supporting cutting-edge research that offers hope to those diagnosed with this devastating disease. As part of this commitment, the DFN Foundation provided an initial investment of £1 million and forged a strategic partnership with the Institute of Cancer Research (ICR) to advance the pioneering work of a research fellow, Professor Martin Kaiser. High-risk myeloma, which affects between 20% and 25% of newly diagnosed patients, is particularly challenging to identify and treat. Despite advancements in care, the disease remains largely incurable for the approximately 5,800 people diagnosed annually in the UK.

In response to this urgent need, the DFN Foundation established the Jacquelin Forbes-Nixon Research Fellowship, supporting Professor Kaiser's work and one of the most innovative clinical trials to date: *OPTIMUM/MUKnine*.

This groundbreaking trial explored the effectiveness of using combination treatments simultaneously, rather than sequentially, which had been the standard approach. Conducted by Professor Kaiser at ICR and the University of Leeds, with support from Myeloma UK and the DFN Foundation, the trial involved nearly 500 patients across 40 NHS District General Hospitals. Using state-of-the-art diagnostics and genetic profiling, the team identified patients with high-risk myeloma and gave them a treatment of a unique combination of drugs and high dose therapy.

The results were transformative: over 75% of patients remained in remission nearly three years after starting treatment, compared to less than 50% with conventional therapies. This vital research is helping to redefine treatment protocols for high-risk myeloma, offering new hope and improving long-term outcomes for patients across the UK and beyond.



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Progress would not have been possible without the timely and impactful support of the DFN Foundation which leveraged the work of nearly 40 hospital trials teams around the country, NHS research infrastructure and pharma support to generate a result that delivers hope to myeloma patients in the NHS and worldwide. More than 6 years following the OPTIMUM/MUK*nine* trial, we see nearly treble the remission time and double the survival of patients who would have otherwise had a very poor outcome with standard treatment. We continue to analyse the trial and are informed by the results, planning new large-scale projects towards improving outcomes for myeloma patients and, potentially, a cure.

Professor Martin Kaiser, Institute of Cancer Research

Trustees' report on financial and other statutory matters

for the year ended 31 December 2024

The Trustees of the David Forbes-Nixon Family Charitable Foundation (DFN Foundation) are pleased to present their Annual Report and Financial Statements for the year ended 31 December 2024 which has been prepared to meet the requirements for an Executive Directors' Report and Accounts for Companies Act Purposes.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the requirements of the Companies Act 2006, the Charities Act 2011, the Charity's Memorandum and Articles of Association and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

The DFN Foundation is a registered charity (No. 1155919) and a company limited by guarantee (No. 08906571) and was incorporated on 21 February 2014.

Charitable objectives

The DFN Foundation's governing document defines the objectives as all purposes that are exclusively charitable under the law of England and Wales. The Trustees have directed the DFN Foundation to focus on four key purposes of education, employability, healthcare and conservation.

Achievements and performance

Our goal is to create a virtuous circle where we can build, refine and scale effective work alongside talented experts. We partner with other organisations where we can, and if we see a gap then we will initiate and grow new organisations. We have highlighted our key partnerships in this report, all of which are making good progress against their charitable objectives. We maintain close connection with our partners to ensure we understand the work they are doing and can provide appropriate support on a timely basis.

Undershaw Education Trust is a specialist setting where children from Year 3 to post-16 with mild to moderate learning difficulties and additional needs, such as ASD, cerebral palsy, hemiplegia, and medical vulnerabilities, can access the national curriculum and qualification pathways in a safe, secure, and friendly environment. Throughout this year, the school has continued to thrive and, as this report has gone to print, it received an Ofsted inspection resulting in an outcome of Outstanding across the board. The inspection particularly noted the ambition and high quality of the education provided, the focus on preparing students for life and employment and the flexible curriculum tailored to each learner's needs. The Trustees of the DFN Foundation would like to acknowledge the exceptional work of the staff at Undershaw and congratulate them on this achievement.

DFN Project SEARCH was developed by the DFN Foundation and established as a separate charity in the UK in 2019. It provides supported internships and employment opportunities to thousands of young people with learning disabilities and autism. Over 60% of young adults graduating from internships are offered permanent employment. This is compared to the average in England of just 4.8% of people with a learning disability or autism, or both, who are in employment of any kind. The organisation has already supported over 2,600 young interns into paid employment and has set a target of 10,000 young people obtaining jobs by 2030.

Trustees' report on financial and other statutory matters (cont.)

for the year ended 31 December 2024

On healthcare, the DFN Foundation continues to support a myeloma research programme at the Institute of Cancer Research in London under the leadership of Dr Martin Kaiser through the Jacquelin Forbes-Nixon Research Fellowship. This work included running a clinical trial, known as OPTIMUM/MUK*nine*, which demonstrated that using treatments in combination, normally given consecutively, was especially effective for patients diagnosed with high-risk myeloma, as over 75% of those involved in the trial were still in remission nearly three years after they started treatment, compared to less than 50% of patients with the current standard of care. Work continues to explore how such impactful results might be used to inform additional avenues of research and to translate into patient care.

In relation to its conservation objective, this year the DFN Foundation focused on support for The Pangolin Project based in Kenya, in an area of forest called Nyekweri, which lies to the west of the Maasai Mara Reserve. The pangolin is the most trafficked mammal in the world and its habitat is also under threat, endangering the survival not only of the pangolin but also the diverse species that rely on this critical forest region. This year has been characterised by the establishment of a robust strategic plan covering all aspects of the work needed to preserve the forest and to monitor the wildlife dependent on it. Significant progress has been made in engaging with the local community and conservancies and to establish funding partnerships and an expert team. The Trustees anticipate extending this partnership in subsequent years.

Demonstrating public benefit

The Trustees are aware of the Charity Commission guidance on Charity and Public Benefit and confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to it. The Trustees consider that the information contained within the Trustees' Report about the Charity's aims, activities and achievements in the four key areas of education, employability, healthcare and conservation demonstrates the benefit to the public.

The Trustees review the purpose, aims and activities of the Charity periodically. When carrying out the review and planning future activities, the Trustees refer to the guidance contained in the Charity Commission's general guidance on public benefit. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

Grant making policy

The DFN Foundation considers the making of grants to other organisations and institutions as part of, or to complement, its commitment to deliver its charitable objects for the public benefit. The DFN Foundation's approach to grant making is based on research by the Trustees to carefully select partner organisations and institutions which the DFN Foundation can work with to achieve its charitable objectives. It is not the intention of the DFN Foundation to invite unsolicited applications from other organisations for grant funding.

Trustees' report on financial and other statutory matters (cont.)

for the year ended 31 December 2024

Financial review

The Trustees wish to express their thanks to all staff, partners and colleagues who have worked hard in support of the charitable objectives of the DFN Foundation during the year.

Against this backdrop, the Statement of Financial Activities reports income of £319,012 (2023 £320,068) and total expenditure of £595,604 (2023 £566,940) which, after adjusting for unrealised gains on investments and other costs associated with foreign current exchange differences, resulted in a net inflow of resources of £1,654,536 (2023 £977,488) with a fund balance at the year end of £23,072,939 (2023 £21,418,403).

Other income and raising funds

As set out in note 4, the Board noted income from investments of £62,948 (2023 £61,961), which has been utilised in the funding of the charitable activities.

The DFN Foundation shared the services of a CEO and Director of Finance plus office costs with DFN Project SEARCH during the year. Invoices for these costs raised to DFN Project SEARCH amount to £102,934 (2023 £126,261) as set out in note 5.

Of the costs relating to raising funds, £43,418 (2023 £45,833) represents fees paid to Royal Bank of Canada and Killik & Co for their management of part of the investment portfolio as set out in note 6.

Use of resources

It remains the intention of the Trustees to maintain unrestricted reserves, held primarily within a portfolio of investments, not only as a core fund as detailed in the investment policy but to provide resources which can be called upon as the Trustees explore how best to move the DFN Foundation forward, working with other organisations as necessary towards fulfilling its long-term charitable goals.

At the balance sheet date, the DFN Foundation held funds of £23,072,939 (2023 £21,418,403). Of this £30,191 (2023 £43,964) of funds are set aside in respect of commitments made for Myeloma UK; details of both designated funds are set out in notes 28.

The investment in Undershaw School after the application of depreciation stands at £6,718,823 (2023 £6,731,038) at the balance sheet date.

To satisfy themselves that sufficient free reserves are in hand to meet all expenditure and commitments as they fall due, the Trustees regularly review the resources that have been committed or earmarked over the medium term. In addition, in assessing future projects and the resources which may be absorbed the Trustees also maintain a review of income that may be expected to arise (with a reasonable degree of certainty) over the same period. In this respect the Trustees again acknowledge with gratitude the potential for a future income stream made available to the DFN Foundation by the Executive Chair as set out in note 24.

As noted above, the Board has earmarked funds to support DFN Project SEARCH over the medium term, if required, to a sum of up to £2,000,000.

Trustees' report on financial and other statutory matters (cont.)

for the year ended 31 December 2024

The Trustees note that free reserves (after having regarded all sums already committed or earmarked for future projects) total a sum of £6,000,000 inclusive of readily realisable investments and cash reserves. The Board is satisfied that the level of free cash reserves (in cash or readily realisable investments) remains prudent for the DFN Foundation given the continuing economic uncertainties.

The Board also wish to again express their appreciation to those who have provided administration support to the DFN Foundation on a voluntary basis. Due to the flexible nature of the hours worked and the tasks performed, the Board consider that the value of the support provided by the volunteer cannot be measured reliably. The DFN Foundation's accounts do not therefore reflect a value for donated administration services.

Investment policy

It remains the policy of the Board to invest funds not immediately required for ongoing projects (and to fund the commitments detailed in note 23 through income generation and capital growth) within a portfolio of investments. Investments are made to maintain sufficient liquidity to meet the aforementioned commitments as they fall due.

In the selection of investments, the Board draw on their collective experience and knowledge of the financial markets to provide good quality income generation and capital growth risk-adjusted returns, without geographical, currency, product or industry restriction. It remains the Board's objective, over the medium- to long-term, to build on the existing portfolio to create a core fund capable of delivering good quality investment returns and growth to fund existing and future charitable projects.

At the year-end, after the generation of investment income (other than interest and rental income) of £62,948 (2023 £61,961) and having incurred net realised and unrealised gains of £1,933,030 (2023 £1,229,635) the DFN Foundation held investment funds valued in total at £16,086,435 (2023 £13,762,908). Further breakdown is included within note 7.

The Board are pleased with the performance of the investments in 2024 and the Board have confidence in the balance of the investment portfolio.

Risk management

The DFN Foundation's risk management policy is based around an overarching risk management register. The register identifies the key risks that the organisation is, or potentially could be, exposed to, and establishes a practical risk assessment process and the operational mitigation tasks that emanate from it. Responsibility for each class of risk is reflected within the register.

The Trustees and Executive Director, Philippa Charles, regularly review the register to address any changes in the likelihood and impact of each risk and risk mitigation measures are considered. The register is updated periodically to reflect new and changing risks.

The key risks that currently face the DFN Foundation and principal mitigating strategies follow.

- **Safeguarding failure or adverse regulator opinion**

The Trustees keep quality at the forefront of its strategy.

Trustees' report on financial and other statutory matters (cont.)

for the year ended 31 December 2024

■ **Maintaining investment performance to deliver on the investment objective**

The Board collectively has significant experience of the financial markets (as detailed below) to ensure informed judgements are made in the selection and management of the portfolio.

- David Forbes-Nixon has over 30 years' experience in financial markets after retiring as Chairman and Chief Executive at Alcentra, a large Asset Manager (circa US\$34 billion) in the sub investment grade credit space.
- James Dickson has over 20 years' experience as an investment manager in listed equities at Meditor Capital management and two other fund management companies in London.

■ **Reputational risk**

The day-to-day management of the ongoing projects is undertaken by the Executive Director (and advisors as necessary) whilst overseen by the Executive Chair. The Board remains of the view that this hands-on approach serves to identify and respond to any issues that may arise as projects progress. In addition, the close involvement of the Executive Director and oversight by the Executive Chair enables them to be fully appraised of any events which might give rise to unwelcome attention and hence reputational risks.

■ **Selection of projects to deliver the charitable objectives**

The agreed criteria by which the Board judge future projects is set out below, aided by the setting of clear objectives with all partner organisations and monitoring and reporting progress against such agreed criteria. This underlines the Board's established approach in the careful selection of advisors and partners with appropriate experience and a proven track record within their specialist sectors.

The approach of the Board in the selection of projects to provide the most positive impact for the beneficiaries is to address the following key questions.

- Does the project align with the DFN Foundation's focused objectives?
- How many people will benefit and by how much?
- Is this the most effective thing that we can do?
- Is this area neglected?
- What would happen if we were to do nothing?
- What are our chances of success and how good will our success be?

Diversity

Respecting diversity is one of the DFN Foundation's key values and we are committed to being an inclusive organisation where diversity is welcomed and valued. The DFN Foundation, through its support for relevant organisations, strives to promote a culture where people treat each other with mutual respect regardless of age, disability, gender, marital or civil partnership status, pregnancy and maternity, gender reassignment, race, religion and belief, or sexual orientation.

Trustees' report on financial and other statutory matters (cont.)

for the year ended 31 December 2024

Structure, governance & management

The Charity is a company limited by guarantee, incorporated on 21 February 2014 and registered as a charity on 24 February 2014. The company was established under a Memorandum of Association which established the objects and powers of the Charitable Company and is governed under its Articles of Association.

The Board of Trustees is responsible for the overall governance of the Charity and meets as a Board at least four times a year. The Trustees, who are also directors for the purposes of company law, and who have served since the end of the previous year are:

Mr D Forbes-Nixon OBE
Mr J D L Dickson
Mr S N Konsta
Mr E W Low OBE
Mr H P Forbes-Nixon
Mr T O'Beirne
Ms N C Brentnall MVO (appointed 20 June 2024)

The number of Trustees shall not be less than two.

None of the Trustees receive remuneration or other benefit from their work for the Charity. Expenses incurred by the Trustees in the performance of their duties are reimbursed. None of the Trustees has any beneficial interest in the company. The Executive Chair is the sole member of the company and guarantees to contribute £1 in the event of a winding up.

The Board of Trustees administers the Charity. In doing so, the Trustees have delegated the day-to-day administration of the Charity to the Executive Chair, Mr David Forbes-Nixon. Trustees receive regular reports on the progress of the projects in hand and meet (formally as noted above and via telephone/virtual meetings) to discuss progress, future projects and to approve current and future expenditure and the funding thereof. As described above, the Charity is working in partnership with an existing school, Undershaw Education Trust in Hindhead (Registered Charity number 1039622), in pursuance of the educational objective. The DFN Foundation's Executive Director, Philippa Charles, and Director of Finance, Jon Robards, are Trustees of Undershaw Education Trust.

Key management personnel in the year consisted of the Executive Director, the Director of Finance, and the former CEO. The pay and remuneration of key management personnel is set at the discretion of the Trustees in line with market rates for similar roles.

Trustee selection and induction

The Trustees regularly review the composition of the Board and its various sub-committees. When a vacancy arises, the Trustees look at the blend of experience and skills of Trustees to ensure that these meet the needs of the Charity and instigate a recruitment process if required. This will involve advertising both locally and nationally as well as more informal approaches to individuals who have the relevant skills and experience. All new Trustees are invited to attend induction training with the Executive Chair and Executive Director. New Trustees are briefed on their legal obligations under charity and company law, on their role and responsibilities as Trustees, the Charity Commission

Trustees' report on financial and other statutory matters (cont.)

for the year ended 31 December 2024

guidance on public benefit, the content of the governing document, the decision-making process, the business plans and recent financial performance of the Charity.

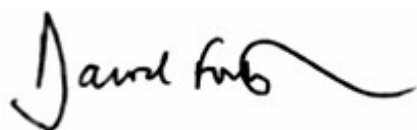
Auditor

Dixon Wilson Audit Services LLP were appointed as auditor to the charitable company and a resolution proposing that they be re-appointed will be put at a General Meeting.

Disclosure of information

The Trustees who were in office on the date of the approval of these financial statements, having made reasonable enquiry, have collectively confirmed that, as far as they are aware, there is no relevant audit information undisclosed to the company's auditor and that they have taken the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

This report was approved by the Board of Trustees and signed on its behalf by



Mr D Forbes-Nixon OBE
Executive Chair

8 July 2025

Statement of Trustees responsibilities for the year ended 31 December 2024

The Trustees, who are also the directors of David Forbes-Nixon Family Charitable Foundation for the purpose of company law, are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial 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 year.

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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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 charity 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.

Independent auditor's report to the members of DFN Charitable Foundation

Opinion

We have audited the financial statements of David Forbes-Nixon Family Charitable Foundation (the 'charitable company') for the year ended 31 December 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows 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 2024 and of its incoming resources and application of resources, 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 Charities Act 2011.

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 charitable company 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 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

Independent auditor's report to the members of DFN Charitable Foundation

the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 24, the Trustees (who are also 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

Independent auditor's report to the members of DFN Charitable Foundation

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We gained an understanding of the legal and regulatory framework applicable to the charitable company by considering, amongst other things, the sector in which it operates, and considered the risk of acts by the charitable company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, but recognised that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focused on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Charities Act 2011 and the Companies Act 2006.

Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of third parties.

As in all our audits, we also addressed the risk management override internal controls, including testing journals and evaluating whether there was any evidence of bias by the Trustees that represented a risk of material misstatement due to fraud.

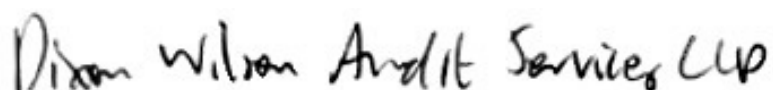
There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud.

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

Independent auditor's report to the members of DFN Charitable Foundation

Use of our report

This report is made solely to the charitable company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's Trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Dixon Wilson Audit Services LLP
Chartered Accountants
Statutory Auditor

8 July 2025

22 Chancery Lane
London
WC2A 1LS

Dixon Wilson Audit Services LLP is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

Statement of financial activities including income and expenditure account

for the year ended 31 December 2024

		Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	Notes	2024 £	2024 £	2024 £	2023 £	2023 £	2023 £
Income and endowments from:							
Donations and legacies	3	25,748	-	25,748	10,800	-	10,800
Investments	4	190,330	-	190,330	183,007	-	183,007
Other income	5	102,934	-	102,934	126,261	-	126,261
Total income		319,012	-	319,012	320,068	-	320,068
Expenditure on:							
Raising funds	6	106,570	-	106,570	45,833	-	45,833
Charitable activities	7	489,034	-	489,034	366,948	154,159	521,107
Total expenditure		595,604	-	595,604	412,781	154,159	566,940
Net gains/(losses) on investments	14	1,933,030	-	1,933,030	1,229,635	-	1,229,635
Net income		1,656,438	-	1,656,438	1,136,922	(154,159)	982,763
Transfers between funds		73,504	(73,504)	-	-	-	-
Other recognised gains and losses:							
Other losses	15	(1,902)	-	(1,902)	(5,275)	-	(5,275)
Net movement in funds		1,728,040	(73,504)	1,654,536	1,131,647	(154,159)	977,488
Reconciliation of funds:							
Fund balances at 1 January 2024		21,344,899	73,504	21,418,403	20,213,252	227,663	20,440,915
Fund balances at 31 December 2024		23,072,939	-	23,072,939	21,344,899	73,504	21,418,403

All income and expenditure derive from continuing activities.

Balance sheet

as at 31 December 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	16	6,718,823		6,731,038	
Investments	17	16,086,435		13,762,908	
			22,805,258		20,493,946
Current assets					
Debtors	18	32,698		15,250	
Cash at bank and in hand		381,313		1,150,417	
			414,011		1,165,667
Creditors: amounts falling due within one year	21	(144,685)		(206,934)	
Net current assets			269,326		958,733
Total assets less current liabilities			23,074,584		21,452,679
Creditors: amounts falling due after more than one year	22		(1,645)		(34,276)
Net assets			23,072,939		21,418,403
Income funds					
Restricted funds	27		-		73,504
Unrestricted funds					
Designated funds	28	30,191		43,964	
General unrestricted funds		23,042,748		21,300,935	
			23,072,939		21,344,899
			23,072,939		21,418,403

Balance sheet (cont.)

as at 31 December 2024

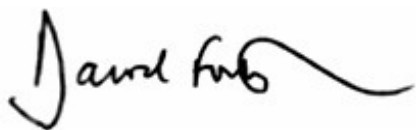
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2024.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 8 July 2025.



Mr D Forbes-Nixon OBE
Executive Chair

Company Registration No. 08906571

Statement of cash flows

for the year ended 31 December 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash absorbed by operations	33	(567,305)		(1,084,507)	
Investing activities					
Purchase of investments		(3,174,461)		(2,384,169)	
Proceeds from disposal of investments		2,784,234		3,284,584	
Investment income received		190,330		183,007	
Net cash (used in)/generated from investing activities		(199,897)		1,083,422	
Net cash generated from financing activities			-		-
Net decrease in cash and cash equivalents		(767,202)		(1,085)	
Cash and cash equivalents at beginning of year		1,150,417		1,156,777	
Effect of foreign exchange rates		(1,902)		(5,275)	
Cash and cash equivalents at end of year		381,313		1,150,417	

Notes to the financial statements

for the year ended 31 December 2024

1 Accounting policies

Charity information

David Forbes-Nixon Family Charitable Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is 8–10 Grosvenor Gardens, London, SW1W 0DH.

In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in pounds sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees had a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the Financial Statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used or by the terms or nature of the appeal under which the funds were raised. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Where the DFN Foundation has entered into a contract for the supply of services over a period exceeding one year, income received at the commencement of the contract is recognised within the accounts on a time apportioned basis associated with the expected delivery of that service over the life of the contract.

Income arising from investments is generally recognised on receipt. As set out in note 24, a potential income stream (termed carried interest income) has been made available to the DFN Foundation by the Executive Chair arising from the inclusion of the DFN Foundation within the profit share arrangement for a number of investments to which the Executive Chair is a party.

Carried interest income is recognised once the receipt of funds is probable and a reasonable estimate of the amount can be made. This will not be before the time the underlying fund has realised sufficient returns to exceed its hurdle rate. Before income is recognised, that is before receipt of funds is probable and a reasonable estimate of the amount can be made, the Trustees' best estimate of the amount and timing of future carried interest income is disclosed as a contingent asset.

1.5 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its charitable activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs are associated with meeting the constitutional and statutory arrangements of the Charity, including external audit and the cost of preparing statutory accounts, the cost of Trustees' meetings and other costs involved with the Charity's strategic management.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Wherever possible, costs relating to a particular activity are allocated directly; others are apportioned on the basis of the ratio of resources expended in respect of each charitable activity.

Irrecoverable VAT is included with the item of expenditure to which it relates.

Notes to the financial statements (cont.)

for the year ended 31 December 2024

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	Not depreciated
Hydrotherapy pool	5% straight line
Furniture and equipment	25% reducing balance method
IT equipment	3 year straight line method
Charity website	3 year straight line method

No depreciation is provided in respect of freehold land and buildings. Please see note 2 for the Trustees' comments.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

1.9 Cash and cash equivalents

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

1.10 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Notes to the financial statements (cont.)

for the year ended 31 December 2024

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

Where material the cost of any unused holiday entitlement is recognised in the period in which the employees' services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

The DFN Foundation offers a defined contribution pension scheme for employees whereby the assets of the scheme are held separately within an independently administered fund.

Payments to an employee's personal pension plan can also be made at the Trustees' discretion.

Payments to the defined contribution pension scheme and an employee's personal pension are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases are charged to income on a straight line basis over the term of the relevant lease.

Notes to the financial statements (cont.)

for the year ended 31 December 2024

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/ (expenditure) for the period.

1.15 Activity basis allocation

Support costs are those costs incurred in support of the charitable activities. Where appropriate these costs are allocated directly to the activity concerned. Other costs are allocated between each activity in proportion to the direct expenditure incurred under each activity heading.

1.16 Mixed motive investments

The DFN Foundation has invested in the purchase and development of Undershaw to support the expansion of Undershaw Education Trust in Hindhead by the provision of accommodation to meet the growing demand for places at this special needs school. At the completion of the development work the DFN Foundation entered into a lease with Undershaw Education Trust for which a concessionary level of rent was agreed.

The DFN Foundation recognised the mixed motive nature of its investment (as defined within SORP FRS 102) which is carried at historical cost subject to the application of depreciation and periodic impairment reviews.

2 Critical accounting estimates and judgements

Critical judgements

Undershaw

The Board considers that the evaluation of useful economic life for the Undershaw property and the application of depreciation to be the area of judgement with a significant effect on the financial statements.

The Board consider that the comprehensive maintenance programme in place for Undershaw property will maintain the property in very good order, and on this basis judge that the residual value at the end of the expected useful life of the property will be no less than the carrying value. On this basis no depreciation is applied for the freehold property.

Judgement is applied in evaluating the useful life of each asset. This is based on either the maintenance and servicing programme or the period of obsolescence, and on the expectation that each asset will warrant replacement or substantial refurbishment at the end of its useful life.

Impairment of fixed assets

In addressing the impairment of the Undershaw property the Board considered the value in use of the property. The Board judge that the property meets its intended service potential at the balance sheet date and are not aware of any matters that will diminish this in the foreseeable future. On this basis the value in use is judged to be not less than the construction cost.

Notes to the financial statements (cont.)

for the year ended 31 December 2024

Critical estimates

Funding commitments

The Board have projected the future value of the funding commitments based on the average return of investment rate and projected cash payments. These estimates are based on market conditions and the resources committed which are subject to change annually. Due to the volatility of the market and uncertainty over the timing of future payments, the future movement is uncertain. The Board therefore provide their best estimate at the year end. Further details on the calculation of funding commitments are provided in note 23.

Contingent assets

The contingent asset disclosed within note 24 is based on a number of critical estimates. However the estimated value of the contingent asset is not included within the carrying amount of assets and liabilities due to its uncertain amount and probability. Future cash inflows will be recognised in the Financial Statements when they are considered probable and can be reliably measured. Further information on the contingent asset is contained within note 24 of the Financial Statements.

Unlisted investments

There are critical estimates within the reporting of unlisted investments in note 17. The value of unlisted investments is based on the net asset value as provided by the fund manager. The net asset value determines the unrealised gain or loss on the investment at the year end in addition to the asset carrying amount on the Balance Sheet. The unlisted investments are not traded on a public market and therefore there is a degree of judgement in the net asset value by the fund manager.

3 Donations

	2024 £	2023 £
Donations	25,748	10,800

4 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Rental income	114,638	114,458
Income from listed investments	62,948	61,961
Interest receivable	12,744	6,588
	190,330	183,007

Notes to the financial statements (cont.)

for the year ended 31 December 2024

5 Other incoming resources

	2024 £	2023 £
Expenditure recharged to DFN Project SEARCH for office facilities	18,192	4,500
Expenditure recharged to DFN Project SEARCH for the services of the CEO	82,774	121,457
Expenditure recharged to DFN Project SEARCH for other expenses	1,968	304
	102,934	126,261

The DFN Foundation raised a monthly invoice at cost for the time that the CEO devotes to DFN Project SEARCH, as set out above. The CEO's employment at DFN Foundation ended in June 2024, leading to the end of this arrangement with DFN Project SEARCH.

DFN Project SEARCH was also invoiced for the cost of office rent and other expenses.

6 Raising funds

	2024 £	2023 £
Fundraising and publicity		
Event costs	63,152	-
Investment management fees	43,418	45,833
	106,570	45,833

Notes to the financial statements (cont.)

for the year ended 31 December 2024

7 Charitable activities

	Education and Employability	Healthcare	Conservation	Total	Education and Employability	Healthcare	Conservation	Total
	2024 £	2024 £	2024 £	2024 £	2023 £	2023 £	2023 £	2023 £
Employability Project								
Employability Project funding	-	-	-	-	700	-	-	700
Sponsorship of Anthropy event	1,120	-	-	1,120	25,203	-	-	25,203
Sponsorship of DFN Project SEARCH Founder and Patron	5,000	-	-	5,000	-	-	-	-
DFN MoveForward								
MoveForward funding	-	-	-	-	154,159	-	-	154,159
	6,120	-	-	6,120	180,062	-	-	180,062
Grant funding of activities (note 8)	1,653	3,793	156,000	161,446	8,901	5,208	16,667	30,776
Share of support costs (note 10)	70,158	4,806	197,673	272,637	239,333	4,745	15,308	259,386
Share of governance costs (note 10)	2,263	1,123	45,445	48,831	44,887	1,428	4,568	50,883
	80,194	9,722	399,118	489,034	473,183	11,381	36,543	521,107
Analysis by fund								
Unrestricted funds	80,194	9,722	399,118	489,034	319,024	11,381	36,543	366,948
Restricted funds	-	-	-	-	154,159	-	-	154,159

Notes to the financial statements (cont.)

for the year ended 31 December 2024

8 Grants payable

	Education and Employability	Healthcare	Conservation	Total	Education and Employability	Healthcare	Conservation	Total
	2024 £	2024 £	2024 £	2024 £	2023 £	2023 £	2023 £	2023 £
Grants to institutions:								
Himalayan Youth Foundation	-	-	-	-	3,000	-	-	3,000
Myeloma UK	-	3,793	-	3,793	-	5,208	-	5,208
The Pangolin Project	-	-	156,000	156,000	-	-	-	-
DFN Project SEARCH	72	-	-	72	4,818	-	-	4,818
Undershaw Education Trust	1,395	-	-	1,395	988	-	-	988
Big Butterfly Count	-	-	-	-	-	-	16,667	16,667
Clifton College Development Trust	186	-	-	186	95	-	-	95
	1,653	3,793	156,000	161,446	8,901	5,208	16,667	30,776

The figures reflected in the financial statements include the present value calculation of resources committed as required by the Charities SORP and as detailed in note 23. The below table reflects the cash payments made to each charity partner during the year.

	Cash grant payments	
	2024 £	2023 £
Grants to institutions		
Himalayan Youth Foundation	-	3,000
Myeloma UK	17,566	161,491
The Pangolin Project	104,000	-
DFN Project SEARCH	72	4,818
Undershaw Education Trust	15,000	15,273
Big Butterfly Count	-	16,667
Clifton College Development Trust	2,000	2,000

Notes to the financial statements (cont.)

for the year ended 31 December 2024

Myeloma UK

During the year £17,566 (2023 £161,491) was paid to Myeloma UK including a payment of £14,916 (2023 £161,491) made as part of the development programme funding commitment focusing on research and an additional payment of £2,650 (2023 Nil) in connection to a fundraising event. A charge of £1,143 (2023 £5,208) has been recognised as part of the unwinding of the commitment detailed in note 23. .

The Pangolin Project

During the year £104,000 (2023 Nil) was paid to The Pangolin Project of a total £156,000, £52,000 (2023 Nil) is payable to The Pangolin Project at the year end.

DFN Project SEARCH

During the year £72 (2023 £4,818) was paid to DFN Project SEARCH.

Undershaw Education Trust

During the year £15,000 (2023 £15,000) was paid to Undershaw Education Trust as part of the funding commitment for an education consultant. In 2023, £273 was additionally paid as support expenses. A charge of £1,395 (2023 £715) has been recognised as part of the unwinding of the commitment detailed in note 23.

Clifton College Development Trust

During the year £2,000 (2023 £2,000) was paid to Clifton College Development Trust as part of the funding commitment. A charge of £186 (2023 £95) has been recognised as part of the unwinding of the commitment detailed in note 23.

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year. Three trustees (2023 Two) were reimbursed, or had expenses paid directly to third parties, a total of £1,246 (2023 £5,720) for expenses incurred throughout the year for various meetings with trustees, management and future business partnerships, and subscriptions in support of their charitable work.

Notes to the financial statements (cont.)

for the year ended 31 December 2024

10 Support costs

	Support costs	Governance costs	2024	2023	Basis of allocation
	£	£	£	£	
Staff costs	147,432	-	147,432	146,821	Resources expended
Depreciation	12,215	-	12,215	13,817	Direct allocation
Property costs	26,538	-	26,538	19,146	Direct allocation
Website hosting	-	-	-	594	Resources expended
Administration costs	50,706	-	50,706	19,288	Resources expended
Education consultancy	21,553	-	21,553	48,034	Direct allocation
Public relations	14,193	-	14,193	11,686	Resources expended
Audit fees	-	18,961	18,961	17,430	Resources expended
Legal and professional fees	-	10,559	10,559	14,627	Resources expended
Trustees' expenses	-	530	530	963	Resources expended
Management expenses	-	18,186	18,186	16,203	Resources expended
Bank charges	-	211	211	184	Resources expended
Board expenses	-	384	384	1,476	Resources expended
	272,637	48,831	321,468	310,269	
Analysed between Charitable activities	272,637	48,831	321,468	310,269	

The DFN Foundation initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the charitable activities undertaken in the year.

Where possible, support and governance costs are allocated directly to the relevant charitable activity. Remaining costs are allocated on the basis of the ratio of resources expended between the charitable activities.

As set out in note 5 the DFN Foundation raised monthly invoices (at cost) for support costs utilised by DFN Project SEARCH.

Notes to the financial statements (cont.)

for the year ended 31 December 2024

11 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	2024 £	2023 £
Audit of the annual accounts	18,961	17,430

12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

13 Employees

Number of employees	2024 Number	2023 Number
Management	1	1

Employment costs	2024 £	2023 £
Wages and salaries	92,430	117,643
Social security costs	6,786	9,936
Other pension costs	10,944	19,242
	110,160	146,821

The number of employees whose annual remuneration was £60,000 or more were:

	2024 Number	2023 Number
£70,000–£79,999	1	-
£110,000–£119,999	-	1

In the year to 31 December 2024, one employee received remuneration between £70,000–£79,999 (2023 £110,000–£119,999: one employee). Remuneration for this purpose includes gross salary and the homeworking allowance. Contributions totalling £10,944 (2023 £19,242) were made to defined contribution pension schemes on behalf of employees whose emoluments exceed £60,000.

Employment costs noted above represent compensation paid to the Executive Director and the former CEO, who were both considered key management personnel in the year.

Notes to the financial statements (cont.)

for the year ended 31 December 2024

The DFN Foundation shared a joint CEO with DFN Project SEARCH, whose employment at DFN Foundation ended in June 2024, leading to the end of this arrangement. The former CEO received total remuneration of £97,556 (2023 £146,821) for the year to 31 December 2024.

During the year the DFN Foundation raised monthly invoices for the time that the former CEO had devoted to DFN Project SEARCH. The former CEO's employment costs recharged to DFN Project SEARCH amounted to £82,774 (2023 £121,457) for the year.

14 Net gains/(losses) on investments

	Total	Unrestricted funds
	2024	2023
	£	£
Revaluation of investments	1,455,657	938,552
Gains on sale of investments	547,241	340,702
Foreign exchange losses on investments	(69,868)	(49,619)
	1,933,030	1,229,635

15 Other gains or losses

	2024	2023
	£	£
Foreign exchange losses	(1,902)	(5,275)

Foreign exchange losses comprise of £1,902 (2023 £5,275) relating to realised currency losses and exchange rate differences.

Notes to the financial statements (cont.)

for the year ended 31 December 2024

16 Tangible fixed assets

	Land and buildings £	Hydrotherapy pool £	Furniture and equipment £	IT equipment £	Charity website £	Total £
Cost						
At 1 January 2024	6,622,912	148,161	190,657	112,192	1,500	7,075,422
At 31 December 2024	6,622,912	148,161	190,657	112,192	1,500	7,075,422
Depreciation and impairment						
At 1 January 2024	-	59,264	171,428	112,192	1,500	344,384
Depreciation charged in the year	-	7,408	4,807	-	-	12,215
At 31 December 2024	-	66,672	176,235	112,192	1,500	356,599
Carrying amount						
At 31 December 2024	6,622,912	81,489	14,422	-	-	6,718,823
At 31 December 2023	6,622,912	88,897	19,229	-	-	6,731,038

The carrying value of land included in land and buildings comprises:

	2024 £	2023 £
Freehold	300,000	300,000

The purchase and renovation of the main Undershaw property, through which the DFN Foundation is delivering on part of its educational charitable objective is termed a mixed motive investment within the SORP FRS 102 as set out in note 19.

Notes to the financial statements (cont.)

for the year ended 31 December 2024

17 Fixed asset investments

	Listed investments £	Unlisted investments £	Total £
Cost or valuation			
At 1 January 2024	4,644,053	9,118,855	13,762,908
Additions	3,054,530	119,931	2,925,580
Valuation changes	382,239	1,003,821	1,376,140
Realised gains/(losses) on disposal	547,241	-	547,241
Disposals	(2,784,235)		(2,784,235)
At 31 December 2024	5,843,828	10,242,607	16,086,435
Carrying amount			
At 31 December 2024	5,843,828	10,242,607	16,086,435
At 31 December 2023	4,644,053	9,118,855	13,762,908

Other investments comprise:	Notes	2024 £	2023 £
Investments in subsidiaries	32	1	1
		1	1

Investments at fair value comprise:	2024 £	2023 £
Unlisted investments	10,242,607	9,118,855
Listed investments	5,843,828	4,644,053
	16,086,435	13,762,908

Fixed asset investments revalued

The investments held for long term capital growth and income growth potential are valued at the balance sheet date at fair value on the basis of:

Listed investments – year end market valuation

Unlisted investments – underlying net assets as valued by the fund manager

Notes to the financial statements (cont.)

for the year ended 31 December 2024

18 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Other debtors	29,774	10,627
Prepayments and accrued income	2,924	4,623
	32,698	15,250

19 Mixed motive investments

	Freehold property	
	2024 £	2023 £
At 1 January 2024	6,322,912	6,322,912
At 31 December 2024	6,322,912	6,322,912

As noted in previous reports, in the summer of 2016 the Charity completed the development of Undershaw into a special purpose school to provide facilities to disabled children.

The property is held within fixed assets in accordance with Section 21.15 of the SORP. The carrying value of the social investment as at 31 December 2024 was £6,322,912.

The primary objective of this investment remains the furtherance of the Charity's objective to provide disabled students with access to educational provision improving access to employment, improved life skills and social communication.

The property continues to be leased to Undershaw Education Trust at a below market rate of rental, details of which are provided in note 31, and investment income from this property is considered of secondary importance to the furtherance of the Charity's objectives.

20 Financial instruments

	2024 £	2023 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	29,774	10,627
Instruments measured at fair value through profit or loss	16,086,435	13,762,908
Carrying amount of financial liabilities		
Measured at amortised cost	146,330	241,210

Notes to the financial statements (cont.)

for the year ended 31 December 2024

21 Creditors: amounts falling due within one year

	2024 £	2023 £
Other taxation and social security	955	7,752
Trade creditors	6,577	7,496
Other creditors	92,827	53,786
Accruals	44,326	137,900
	144,685	206,934

22 Creditors: amounts falling due after more than one year

	2024 £	2023 £
Other creditors	1,645	34,276

23 Funding commitments

Myeloma UK

In 2015, the DFN Foundation entered into a commitment to provide a grant to Myeloma UK (charity registered in Scotland – 026116) of £1,000,000 to fund a development programme focusing on research. An agreement was put in place including a timeline for the payment of the commitment. Myeloma UK raise invoices to the DFN Foundation periodically for the work completed on the research programme.

The ongoing commitment extending beyond the 12 months following the balance sheet date is carried at amortised cost using the effective interest method. Due to overpayments made in earlier periods, the effective interest rate fell from 5% to 2.6% for future periods. A charge of £1,143 has been recognised within the statement of financial activities (SOFA).

Remaining cash payments of £30,770 (discounted value £30,191) are due to Myeloma UK and projected to be made by the year ended 31 December 2025.

At the year end the funding commitment to Myeloma UK due within one year is calculated as £30,191 (2023 £21,700) and shown within other creditors in note 21. The commitment due after one year amounts to £nil (2023 £22,264) and is shown within other creditors note 22.

The DFN Foundation will continue to fund the commitment from current unrestricted cash reserves.

Undershaw Educational Consultant

In 2022, the charity entered into a commitment to jointly fund the position of an educational consultant for Undershaw Education Trust. The commitment was to provide £15,000 per year for three years.

The ongoing commitment extending beyond the 12 months following the balance sheet date is

Notes to the financial statements (cont.)

for the year ended 31 December 2024

calculated by the amortised cost method using an average return of investment rate calculated at 5% per annum. A charge of £1,395 has been recognised within the SOFA.

Remaining cash payments of £10,000 (discounted value £8,638) are due to Undershaw Educational Trust and projected to be made by the year ended 31 December 2025.

At the year end the funding commitment for the educational consultant due within one year is £8,638 (2023 £13,605) and shown within other creditors in note 21. The commitment due after one year amounts to £nil (2023 £8,639) and is shown within other creditors note 22.

Clifton College Development Trust

In 2022, the charity entered into a commitment with Clifton College Development Trust to provide £2,000 annually for five years.

The ongoing commitment extending beyond the 12 months following the balance sheet date is calculated by the amortised cost method using an average return of investment rate calculated at 5% per annum. A charge of £186 has been recognised within the SOFA.

At the year end the funding commitment due within one year is £1,728 (2023 £1,814) and shown within other creditors note 21. The commitment due after one year amounts to £1,645 (2023 £3,373) and is shown within other creditors note 22.

24 Contingent asset

As noted in the Trustees' report, in assessing current and future projects and the resources that may be absorbed, the Board maintain a review over income that may be expected to arise (with a reasonable degree of certainty) over the same period.

The Trustees' report refers to a potential income stream that has been made available to the DFN Foundation by the Executive Chair arising from the inclusion of the DFN Foundation within the profit share arrangements for a number of investments to which the Executive Chair is a party.

It should be noted that the potential for future income is only available if each investment achieves a given level of performance over a minimum hurdle rate of return throughout the investment cycle; failure to achieve the given level will result in no income. It should also be noted that the DFN Foundation is participating in a profit share arrangement and the success (or otherwise) of each investment will not result in any future liability or additional commitment for the DFN Foundation.

At the year end the success (or otherwise) of achieving the given level of performance is unknown.

The bullets below set out the estimated sums and the anticipated time scale. Both the sums and time scale are based on a number of estimates and assumes that the set performance criteria are achieved over the remaining life of each investment. On this basis the Board are of the view that the application of present value calculations to the figures below would not be appropriate.

- Potential receipt in year ended 31 December 2027 £779,158
- Potential receipt between 2025 and 2028 £79,566

Notes to the financial statements (cont.)

for the year ended 31 December 2024

The Board have determined that the estimation of future income for the purposes of the contingent asset note be reviewed annually. At each year end, where it is probable that future cash inflows arising from an investment can be measured reliably the income will be recognised in the Financial Statements.

No cash receipts were received from the above investments during 2024 (2023 £nil). At the year end no income has been recognised in respect of future years (2023 £nil).

25 Retirement benefit schemes

Defined contribution schemes	2024 £	2023 £
Charge to profit or loss in respect of defined contribution schemes	10,944	19,242

The charitable company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The Charity contributes a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Charity with respect to the scheme is to make the specified contributions.

At the current time the sole employee of the DFN Foundation has chosen to have contributions paid to a separate personal pension, rather than the DFN Foundation's pension scheme. The offered defined contribution pension scheme is therefore not used by any current employees.

26 Financial commitments, guarantees and contingent liabilities

Investments

The DFN Foundation holds a portfolio which includes a range of investments. Within this portfolio are specialist investment vehicles which are held as unquoted fixed asset investments. The nature of this investment fund requires the DFN Foundation to make capital payments over a multi-year period of up to an amount which the DFN Foundation had committed to on application. Within this period, and as other investors join the fund, the DFN Foundation can be entitled to capital repayments as equalisation. Within the overall commitment of funds the timing and magnitude of each capital payment, or any equalisation repayments, are not subject to a set timetable.

At the year end the DFN Foundation had outstanding commitments under two investments of £2,728,779 (2023 two investments of £2,374,203).

Notes to the financial statements (cont.)

for the year ended 31 December 2024

27 Restricted funds

Details of restricted income and expenditure for the current and previous year are detailed below:

	Movement in funds					
	Balance at 1 January 2024	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	Balance at 31 December 2024
	£	£	£	£	£	£
DFN MoveForward	73,504	-	-	(73,504)	-	-
	73,504	-	-	(73,504)	-	-
Previous year	Balance at 1 January 2023	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	Balance at 31 December 2023
	£	£	£	£	£	£
DFN MoveForward	227,663	-	(154,159)	-	-	73,504
	227,663	-	(154,159)	-	-	73,504

DFN MoveForward

DFN MoveForward was an employability programme built on the tried and tested work of ThinkForward with the purpose to support and help young people with mild to moderate learning disabilities into sustainable paid employment.

As the lead commissioner through a Social Impact Bond, and with the aid of generous donations from supportive partner organisations, the DFN Foundation set aside in total £1,000,000 to assist in the funding of the DFN MoveForward Project over 5 years, commencing in 2018.

The Government's Life Chances Fund worked with the DFN Foundation within the Social Impact Bond to provide match funding in addition to the DFN Foundation's commitment.

Funds were advanced to ThinkForward on the basis of set sums as verified key goals were achieved by each young person as they moved through the programme to sustained paid employment. Were any of the key goals not met, the DFN Foundation and its partners were not obligated to provide funds.

The impact of COVID-19 necessitated a review of the delivery of the programme.

In response to the limitations of the lockdown and social distancing rules, the DFN Foundation worked with ThinkForward to focus the work towards an activities based approach.

The DFN MoveForward programme ended in April 2024 and did not reach the anticipated £1,000,000 commitment. These accounts reflect a transfer of £73,504 to the unrestricted fund.

Notes to the financial statements (cont.)

for the year ended 31 December 2024

28 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations which are not subject to specific conditions by donors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds for specific purposes, as set out below:

	At 1 January 2024	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 December 2024
	£	£	£	£	£	£
Myeloma UK	43,964	-	(13,773)	-	-	30,191
General funds	21,300,935	319,012	(581,148)	73,504	1,931,128	23,042,748
	21,344,899	319,012	(594,921)	73,504	1,931,128	23,072,939
	At 1 January 2023	Incoming resources	Resources expended	Transfers	Gains and losses	At 31 December 2023
	£	£	£	£	£	£
Myeloma UK	200,247	-	(156,283)	-	-	43,964
General funds	20,013,005	320,068	(256,498)	-	1,224,360	21,300,935
	20,213,252	320,068	(412,781)	-	1,224,360	21,344,899

Funds have been designated by the Trustees to settle funding commitments to Myeloma UK. The terms of the funding commitment are as specified within note 23.

Notes to the financial statements (cont.)

for the year ended 31 December 2024

29 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Designated funds	Total
	2024	2024	2024	2024
	£	£	£	£
At 31 December 2024				
Tangible assets	6,718,823	-	-	6,718,823
Investments	16,086,435	-	-	16,086,435
Current assets/(liabilities)	239,135	-	30,191	269,326
Long term liabilities	(1,645)	-	-	(1,645)
	23,042,748	-	30,191	23,072,939
	Unrestricted funds	Restricted funds	Endowment funds	Total
	2023	2023	2023	2023
	£	£	£	£
At 31 December 2023				
Tangible assets	6,731,038	-	-	6,731,038
Investments	13,762,908	-	-	13,762,908
Current assets/(liabilities)	841,265	73,504	43,964	958,733
Long term liabilities	(34,276)	-	-	(34,276)
	21,300,935	73,504	43,964	21,418,403

30 Operating lease receipts lessor

The DFN Foundation continued to lease the freehold building and grounds to Undershaw Education Trust. In accordance with the terms of the lease Undershaw Education Trust shall use the Undershaw property for the provision of education.

The current tenant repairing and insuring lease is for a period of 10 years which commenced on 1 September 2019, with future rent payments continuing on 1 January, 1 May and 1 September. The sums charged in the year remain below the full market rate. An additional rental charge is made for reimbursement of the premium to insure the building.

The DFN Foundation has expressed its long term support of Undershaw Education Trust.

At the Balance Sheet date the School had contracted with the DFN Foundation for the following minimum lease payments:

	2024	2023
	£	£
Within one year	100,000	100,000
Between two and five years	366,667	400,000
In over five years	-	66,667
	466,667	566,667

Notes to the financial statements (cont.)

for the year ended 31 December 2024

31 Transactions with related parties

During the year the DFN Foundation entered into the following transactions with related parties:

	Leases	
	2024 £	2023 £
Undershaw Education Trust		
Rental income	100,000	100,000
Reimbursement of insurance	14,638	14,458
	114,638	114,458

Undershaw Education Trust

Undershaw Education Trust (Registered Charity – 1039622) is a related party due to the significant influence the Board of Trustees of the DFN Foundation has over the Board of Undershaw Education Trust. Undershaw Education Trust was granted the right to use the property of Undershaw as a school site, under the terms of a lease agreement, for a fee below that of market rental.

Grants of £1,395 were made to Undershaw Education Trust in the year ending 31 December 2024 (2023 £988).

At the year end the DFN Foundation owed £10,000 to Undershaw Education Trust (2023 £25,000) for funding commitments as detailed in note 23.

DFN Project SEARCH

DFN Project SEARCH was considered a related party of the DFN Foundation following the appointment of a joint CEO in 2020.

The transactions between the two organisations are:

A grant of £72 was paid to DFN Project SEARCH by DFN Foundation during the year (2023 £4,818) as reported in note 8.

Charges made at cost for the services of the CEO of £82,774 (2023 £121,457) as reported in note 5. The CEO's employment at DFN Foundation ended in June 2024, leading to the end of this arrangement with DFN Project SEARCH.

Shared office facilities of £18,192 (2023 £4,500) and other expenses of £1,968 (2023 £304) were also recharged to DFN Project SEARCH during the year.

The DFN Foundation received the services of the Director of Finance employed by DFN Project SEARCH for which invoices were raised at cost totalling £17,650 (2023 £15,904) plus irrecoverable VAT relating to the recharges amounting to £473 (2023 £nil). These costs are reported within management expenses in note 10. The Director of Finance is considered key management personnel.

Notes to the financial statements (cont.)

for the year ended 31 December 2024

At the year end the DFN Project SEARCH owed DFN Foundation £29,258 (2023 £10,109). This balance is reported within other debtors in note 18.

32 Subsidiaries

In keeping with its statutory obligations, the Board has arranged for separate Financial Statements for the period to 31 December 2024 to be prepared for the subsidiary. The Board have not prepared consolidated Financial Statements as the relevant thresholds which require such treatment were not exceeded in the year under review.

Details of the charitable company's subsidiaries at 31 December 2024 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
DFN Events Limited	UK	Dormant company	Ordinary	100.00

33 Cash generated from operations

	2024 £	2023 £
Surplus for the year	1,656,438	982,763
Adjustments for:		
Investment income recognised in statement of financial activities	(190,330)	(183,007)
Foreign exchange loss on investments	69,868	49,619
Gain on disposal of investments	(547,241)	(340,702)
Fair value gains and losses on investments	(1,455,657)	(938,552)
Depreciation and impairment of tangible fixed assets	12,215	13,817
Movements in working capital:		
(Increase) in debtors	(17,448)	(9,297)
(Decrease) in creditors	(95,150)	(659,148)
Cash absorbed by operations	(567,305)	(1,084,507)

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Registered Charity No. 1155919 | Registered Company No. 08906571 (England and Wales)

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

England & Wales - Charity number 1155919

Accounts

Charity registration number 1155919

Company registration number 08906571 (England and Wales)

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr D Forbes-Nixon OBE Mr J Dickson Mr S N Konsta Mr E W Low Mr H P Forbes-Nixon (Appointed 1 September 2023) Mr T O'Beirne (Appointed 20 December 2023)
Charity number	1155919
Company number	08906571
Principal address	8-10 Grosvenor Gardens London SW1W 0DH
Registered office	8-10 Grosvenor Gardens London SW1W 0DH
Auditor	Dixon Wilson Audit Services LLP 22 Chancery Lane London WC2A 1LS
Bankers	Barclays 1 Churchill Place Canary Wharf London E14 5HP
Accountants	Humphrey & Co 7-9 The Avenue Eastbourne East Sussex BN21 3YA
Solicitors	Macfarlanes LLP 20 Cursitor Street London EC4A 1LT

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

CONTENTS

	Page
Trustees report	1 - 9
Statement of Trustees responsibilities	10
Independent auditor's report	11 - 13
Statement of financial activities	14 - 15
Balance sheet	16 - 17
Statement of cash flows	18
Notes to the financial statements	19 - 40

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees of the David Forbes-Nixon Family Charitable Foundation (DFN Foundation) are pleased to present their Annual Report and Financial Statements for the year ended 31 December 2023 which has been prepared to meet the requirements for a Directors' Report and Accounts for Companies Act Purposes.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the requirements of the Companies Act 2006, the Charities Act 2011, the Charity's Memorandum and Articles of Association and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

The DFN Foundation is a registered charity (No. 1155919) and a company limited by guarantee (No. 08906571) and was incorporated on 21 February 2014.

Charitable objectives

The DFN Foundation's governing document defines the objectives as all purposes that are exclusively charitable under the law of England and Wales. The Trustees have directed the DFN Foundation to focus on four key purposes of education, employability, healthcare and conservation.

Achievements and performance

David Forbes-Nixon and the Board in 2014 set out four main goals for the DFN Foundation to achieve over the first ten years as follows:

1 - To create a world class special educational needs school at Undershaw Education Trust.

Undershaw Education Trust is a specialist setting where children from Year 3 to post-16 with mild to moderate learning difficulties and additional needs, such as ASD, cerebral palsy, hemiplegia, and medical vulnerabilities can access the national curriculum and qualification pathways in a safe, secure, and friendly environment.

Throughout this academic year it has continued to thrive reaching the school's highest examination results ever for the academic year 2023/24. Highlights include:

- Students excelled in GCSE history and statistics, with 100% of students achieving a grade 9.
- 100% of students who sat GCSE music achieved a grade 4+.
- 100% of students entered into Level 2 BTEC qualifications achieved at least a Pass grade.
- 100% pass rate for Year 10 and Year 11 students who completed the Level 1 Functional Skills exams, which is a fantastic achievement.
- Overall, 50% of grades achieved were awarded at the higher levels (grade 5+/merit for BTEC level 2), with a superb 28% of grades achieving excellence at 7+.

This academic year's school development plan centres around four clear themes:

- Creating an inspiring learning journey for all
- Creating a positive learning culture
- Ensuring the environment is aspirational and future focused for all
- Ensuring everyone has a sense of belonging

Development against these themes are monitored carefully by trustees through a structured review cycle and explored through the designated sub committees as well as the full board meetings. Leadership and management are happy with progress in all areas of the school.

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

During the summer holiday period there were some works done on the building to add more outdoor facilities and improve some of the indoor learning environments. The school community is very pleased with these developments.

Due to the high-quality provision and growing demand, the school was awarded a material change by the Department for Education allowing them to now admit up to 115 students to the school.

2 - To positively influence current practice so that young people with special educational needs and disabilities receive high quality work-related learning and improved access to long term paid employment.

DFN Project SEARCH

DFN Project SEARCH is a national charity changing the lives of young people with a learning disability and/or autism spectrum condition by supporting them into full-time employment.

Co-ordinating a community of partners, they deliver Supported Internships - transition-to-work programmes of study - for young people with an Education, Health and Care Plan (EHCP) in their final year of school or college, helping them make the positive transition to adulthood.

In July/August 2023, 713 interns graduated from this programme across 100 sites. Working to deliver their growth strategy, in September 2023, DFN Project SEARCH started the academic year with 153 operating sites serving just over 1000 interns per annum.

During the last reporting period an impressive 68% of interns secured paid employment, this is 63% higher than the national average. Out of those who secured employment, 61% achieved full time paid employment. The average starting salary was £9.76 (above national minimum wage for all ages) and the average contract was 27 hours per week.

Since September 2022, DFN Project SEARCH has been one of three organisations delivering the Department for Education Internships Work commission. DFN Project SEARCH is leading on engaging employers and supporting them to offer high quality work placements by providing information, advice and training that enables growth in supported internships and job opportunities. We are also delivering accredited training for each SEND Employment Forum as well as supporting the design and implementation of a sustainable process to improve the quality of Supported Internship provision, using the Supported Internship Quality Assurance Framework (SIQAF). The SIQAF aims to provide organisations with support on completing self-assessments and auditing so that they can work towards achieving a quality kitemark that shows that they are providing high quality Supported Internships that lead to real jobs.

DFN Project SEARCH delivers comprehensive, CPD-accredited training over five days, enhancing forum members' capabilities in areas like partner roles, intern recruitment, employer engagement, and long-term strategy development. During the reporting year, they have delivered training to 108 SEND employment forums with 92% of respondents feeling more confident in offering placements to supported interns.

Having successfully delivered their 2020-2023 organisational business plan, in June 2023 they developed a new seven-year strategic business plan which reflects both their significant growth as well as future ambitions. Their ambition is to achieve the crucial tipping point, where they deliver systemic change across the sector for all young adults with a learning disability who are making their way in the world of work and preparing to thrive as adults.

The new strategy is broken down into five core levers:

1. Consolidate – increasing employment outcomes for current programme sites
2. Evolve – our management, organisation, and governance to support growth
3. Grow strategically – focusing on high potential sites and regions with greatest need
4. Harness learning and data using technology
5. Influence national funding and policy

These levers support the ambition to support 14,000 people with an EHCP into paid employment by 2030, serving 4000 young adults a year, and 20,000 people with an EHCP into jobs by 2034.

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

DFN MoveForward

ThinkForward exists to prevent the next generation of youth unemployment. Through a combination of one-on-one coaching, workplace activities and youth participation opportunities, young people are supported to gain the confidence, independence, and skills they need to make successful school-to-work transitions and secure a brighter future.

DFN-MoveForward is run by ThinkForward, funded by the DFN Foundation and Government's Life Chances Fund. Working in London, Kent and the West Midlands with young people who have mild to moderate learning disabilities, the programme aim is to support them into sustainable paid employment. These young people face difficult challenges getting into the workplace with just 4.8% of adults with learning disabilities and autism known to adult services in paid work.

This academic year takes the programme into its 5th year and has enrolled over 280 young people to date, 24% of whom have already achieved sustained employment – far above the national 4.8% figure of employed adults with learning disabilities. In addition, 85% of young people enrolled have already completed 4 or more ready for work activities giving them the opportunity to be exposed to unique employer networks. 39% of the current cohort who are work-ready have secured EET (education, employment and training) status.

A social return on investment (SROI) analysis commissioned by ThinkForward in 2023 found that in total, the programme leads to the creation of over £5 million in social value, of which nearly £2.2 million is directly attributable to the programme. For every £1 invested in the programme, DFN-MoveForward creates £2.75 of social value.

As a direct result of assessing the needs of young people on the DFN-MoveForward programme who are ready for work but are not receiving a fair chance in the job market, in April 2023, ThinkForward developed a work placement & job creation pilot programme. This was the first of its kind for ThinkForward and offered work experience tailored to the specific needs of post-16 young people diagnosed with a learning disability, designed to increase their chances of sustainable employment. ThinkForward is partnering with employers, in the first instance at DHL in Medway, to pilot this work placements programme, and to offer work experience tailored to the specific needs of post-16 young people who are on DFN-MoveForward. Two DFN-MoveForward young people were offered permanent roles with DHL Parcel UK at the end of the placement. The pilot has been replicated in Warwickshire with Pickering Perforated Products, a small manufacturing company, following the same programme structure, with one young person so far successfully being offered employment at the end of the placement.

The DFN Move-Forward programme ended in April 2024 after a successful five years where it helped 84 adults successfully transition into an employment pathway.

3 - To improve survival rates of myeloma patients and advance cures through the strategic funding of high quality research.

The DFN Foundation is supporting a myeloma research programme at the Institute of Cancer Research in London under the leadership of Dr Martin Kaiser through the Jacquelin Forbes Nixon Research Fellowship. This important and innovative research programme investigates the factors responsible for the onset, progression and resistance to treatment of myeloma, particularly in patients with high-risk myeloma. This includes support for research directly linked to several potentially transformative clinical trials.

Now, one of the most innovative myeloma treatment trials to have been conducted, involving almost 500 patients across nearly 40 NHS District General Hospitals, has addressed the unmet need for better diagnostics and demonstrated an effective treatment for people with high-risk myeloma.

The trial, known as OPTIMUM / MUKnine, has demonstrated that using treatments, normally given consecutively, in combination, is markedly better for patients diagnosed with high-risk myeloma.

The results suggest that emphasising the first line of treatment and giving the most effective therapy straight after diagnosis is particularly important for patients with high-risk myeloma, as this sub-type tends to be far more difficult to control once it relapses. Over 75% of those involved in the trial were still in remission nearly three years after they started treatment, compared to less than 50% of patients with the current standard of care.

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

2023 highlights include:

- Results were accepted as oral presentations and presented at the most prestigious meetings for blood cancer research, the ASCO 2021, ASH 2021 and ASH 2022 meetings. The ASH 2022 presentation was also elected as a 'Best of ASH' and shown in a meeting series with the same title across the USA, amplifying the message and raising global awareness for the results.
- OPTIMUM results have also been accepted for publication in the highly prestigious Journal of Clinical Oncology (JCO). Apart from its global academic reach, articles on clinical trial results published in JCO can be cited when applying to private healthcare insurers for an individual patient's diagnostics or treatment. The publication is expected to be released by mid-June and will immediately impact privately insured patients in the UK and elsewhere.
- Based on the success of the myeloma research programme at the ICR, Martin Kaiser was awarded the title of Reader in Molecular Haematology at the ICR. The ICR remains the top cancer institution in Europe and the top three globally. This achievement is directly attributable to the DFN Foundation's funding of the myeloma research programme at the ICR.

4 - To ensure survival of the British butterfly.

DFN Foundation was proud to sponsor The Big Butterfly Count for the fourth consecutive year. The Big Butterfly Count is a citizen science survey that takes place annually in the UK. It is organised by Butterfly Conservation, a wildlife charity that focuses on butterflies and moths.

The survey is conducted for three weeks during the summer, and it is the world's largest survey of butterflies. The primary objective of the survey is to raise awareness about the importance of butterflies and day-flying moths and to encourage people to participate in their conservation. The survey also helps scientists understand how climate change is affecting butterflies.

Key highlights from the Big Butterfly Count 2023 Species Results:

94,229 people took part in the 14th Big Butterfly Count (BBC). A total of 136,719 counts were submitted. Both the participation and the number of counts submitted are up on 2022 levels by 46% and 42% respectively.

People spent over 34,180 hours, the equivalent of 3.9 years, counting butterflies in their gardens, local parks and in the countryside. The vast majority of counts (71%) were done in gardens, this provides us with valuable information as this type of habitat is under-represented in many of our other schemes.

The greatest daily number of counts, 15,409, were done on Sunday 6th August, this is in fact the greatest number of counts done on a single day in the history of the Big Butterfly Count.

During the official three-week period (14 July – 6 August) of the BBC a total of 1,515,761 individuals of the 21-target species (18 butterflies and 3 day-flying moths) were counted during this time, this compares with 809,107 in 2022.

The average number of butterflies and day-flying moths seen per count was 12, compared with 9, seen in 2022. Over the 14 years of the big butterfly count almost 915,000 people have submitted over one million counts, resulting in more than 11 million butterflies and moths being seen.

Red Admiral was the most commonly encountered butterfly in the Big Butterfly Count this summer across the UK, coming in at the top spot for the first time in the history of the count. The species that made the top five across the UK were the same as last year, Gatekeeper, Large White, Small White and Meadow Brown.

The thirteen-year trend (2011-2023) produced for the first time for Big Butterfly Count shows that the Red Admiral is increasing along with Holly Blue, both of which were seen in their highest numbers this summer since the count began.

Both Ringlet and Green-veined White are species that are known to be vulnerable to drought, the thirteen-year big butterfly count trend shows that both these species are declining. Ringlet was seen in poor numbers this summer, its worst since 2018.

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

Policy

Driving Positive Change with the Centre for Social Justice

The DFN Foundation has commissioned pioneering research with the Centre for Social Justice (CSJ). The CSJ was established as an independent think-tank in 2004 to put social justice at the heart of British politics and make policy recommendations to tackle the root causes of poverty.

The paper Rethink Disability at Work explored barriers for individuals with learning disabilities and developing a more progressive approach to employability training for young people with learning difficulties, disabilities and autism.

The DFN Foundation has continued to sponsor and lobby for recommendations to be implemented from the Centre for Social Justice Disability Commission launched in 2021 where Lord Kevin Shinkwin served as Chair and David Forbes-Nixon served as Vice Chair.

The Disability Employment Charter

The DFN Foundation, alongside Disability Rights UK, Disability@Work, Leonard Cheshire, Scope, the Shaw Trust Foundation, UNISON and the University of Warwick, founded the Disability Employment Charter. The Charter calls on the government to implement proposals aimed at addressing disability employment disadvantage in nine key areas including: mandatory disability employment and pay gap reporting; reform of Access to Work and Disability Confident; leveraging government procurement; and enhanced access to reasonable adjustments. The Charter has now been signed by over 200 organisations.

The Pangolin Project

Towards the end of 2023, DFN Foundation made a financial commitment to support The Pangolin Project to help it deliver on its important work. The Pangolin Project is a non-profit organisation based in Kenya, dedicated to pangolin conservation research and protection. They are working to identify and conserve important pangolin populations in their region, raising awareness and using science to inform conservation strategy. They deliver their work in partnership with communities and wildlife rangers, believing that collaboration is the key to conservation success.

Vision for 2023 - 2026: Ensuring the survival of the remaining Giant Ground Pangolin through a community based Giant Ground Pangolin sanctuary.

Goal: A viable population of Giant Ground Pangolin thriving in 5,000 HA of protected and restored forest habitat in the Nyekweri Ecosystem that is maintained through sustainable financing including but not limited to carbon credits, biodiversity credits, philanthropic sources and tourism revenue.

Core pillars:

- Research and monitoring
- Community awareness and engagement
- Partnerships and Advocacy

Aims:

1. Provide direct protection to individual Giant Ground Pangolin from electric fencing and poaching;
2. Develop a knowledge hub and information centre for the Giant Ground Pangolin and biodiversity of Nyekweri that will leverage support for species survival and habitat protection;
3. Protect, restore and conserve 5000 Hectares of Nyekweri Forest Ecosystem to enable a viable population of Giant Ground Pangolin to live and thrive.

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Demonstrating public benefit

The Trustees are aware of the Charity Commission guidance on Charity and Public Benefit and confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to it. The Trustees consider that the information contained within the Trustees' Report about the Charity's aims, activities and achievements in the four key areas of education, employability, healthcare and conservation demonstrates the benefit to the public.

The Trustees review the purpose, aims and activities of the Charity periodically.

When carrying out the review and planning future activities, the Trustees refer to the guidance contained in the Charity Commission's general guidance on public benefit. In particular the Trustees consider how planned activities will contribute to the aims and objectives they have set.

Grant making policy

The DFN Foundation considers the making of grants to other organisations and institutions as part of, or to complement, its commitment to deliver its charitable objects for the public benefit. The DFN Foundation's approach to grant making is based on research by the Trustees to carefully select partner organisations and institutions which the DFN Foundation can work with to achieve its charitable objectives. It is not the intention of the DFN Foundation to invite unsolicited applications from other organisations for grant funding.

Financial review

The Trustees wish to express their thanks to all staff, partners and colleagues who have worked hard in support of the charitable objectives of the DFN Foundation during the year.

Against this backdrop, the Statement of Financial Activities reports income of £320,068 (2022 £419,158) and total expenditure of £566,940 (2022 £653,749) which, after adjusting for unrealised gains on investments and other costs associated with foreign current exchange differences, resulted in a net inflow of resources of £977,488 (2022 net outflow of resources of £1,360,526) with a fund balance at the year end of £21,418,403 (2022 £20,440,915).

Other income and raising funds

As set out in note 4, the Board noted income from investments of £183,007 (2022 £270,420), which has been utilised in the funding of the charitable activities.

Following the appointment of Claire Cookson as CEO of DFN Project SEARCH, the DFN Foundation recharged employment costs reflecting the time that the CEO devoted to DFN Project SEARCH of £121,457 (2022 £128,738) as set out in note 5. DFN Project Search was also recharged £4,804 (2022 nil) for the cost of shared office facilities and other expenses.

Of the costs relating to raising funds, £45,833 (2022 £47,471) represents fees paid to Royal Bank of Canada for their management of part of the investment portfolio as set out in note 6.

Use of resources

It remains the intention of the Trustees to maintain unrestricted reserves, held primarily within a portfolio of investments, not only as a core fund as detailed in the investment policy but to provide resources which can be called upon as the Trustees explore how best to move the DFN Foundation forward, working with other organisations as necessary towards fulfilling its long-term charitable goals.

At the balance sheet date, the DFN Foundation held funds of £21,418,403 (2022 £20,440,915). Of this, £73,504 (2022 £227,663) represents the balance of the restricted funds held. In addition £43,964 (2022 £200,247) of funds are set aside by in respect of commitments made for Myeloma UK; details of both restricted and designated funds are set out in notes 27 and 28.

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

The investment in Undershaw School after the application of depreciation stands at £6,731,038 (2022 £6,744,855) at the balance sheet date.

To satisfy themselves that sufficient free reserves are in hand to meet all expenditure and commitments as they fall due, the Trustees regularly review the resources that have been committed or earmarked over the medium term. In addition, in assessing future projects and the resources which may be absorbed the Trustees also maintain a review of income that may be expected to arise (with a reasonable degree of certainty) over the same period. In this respect the Trustees again acknowledge with gratitude the potential for a future income stream made available to the DFN Foundation by the Executive Chair as set out in note 24.

The Board has earmarked funds to support DFN Project SEARCH over the medium term if required to a sum of up to £2,000,000.

The Trustees note that free reserves (after having regarded all sums already committed or earmarked for future projects) total a sum of £5,500,000 inclusive of readily realisable investments and cash reserves. The Board is satisfied that the level of free cash reserves (in cash or readily realisable investments) remains prudent for the DFN Foundation given the continuing economic uncertainties.

The Board also wish to again express their appreciation to those who have provided administration support to the Foundation on a voluntary basis. Due to the flexible nature of the hours worked and the tasks performed, the Board consider that the value of the support provided by the volunteer cannot be measured reliably. The Foundation's accounts do not therefore reflect a value for donated administration services.

Investment policy

It remains the policy of the Board to invest funds not immediately required for ongoing projects (and to fund the commitments detailed in note 23 through income generation and capital growth) within a portfolio of investments. Investments are made to maintain sufficient liquidity to meet the aforementioned commitments as they fall due.

In the selection of investments, the Board draw on their collective experience and knowledge of the financial markets to provide good quality income generation and capital growth risk-adjusted returns, without geographical, currency, product or industry restriction. It remains the Board's objective, over the medium to long term, to build on the existing portfolio to create a core fund capable of delivering good quality investment returns and growth to fund existing and future charitable projects.

At the year-end, after the generation of investment income (other than rental income) of £68,549 (2022 £158,404) and having incurred net realised and unrealised gains of £1,229,635 (2022 losses of £1,123,280) the DFN Foundation held investment funds valued in total at £13,762,908 (2022 £13,433,688). Further breakdown is included within note 17.

The Board are pleased with the performance of the investments in 2023 and the Board have confidence in the balance of the investment portfolio.

Risk management

The DFN Foundation's risk management policy is based around an overarching risk management register. The register identifies the key risks that the organisation is, or potentially could be, exposed to, and establishes a practical risk assessment process and the operational mitigation tasks that emanate from it.

Responsibility for each class of risk is reflected within the register.

The Trustees and CEO regularly review the register to address any changes in the likelihood and impact of each risk and risk mitigation measures are considered. The register is updated periodically to reflect new and changing risks.

The key risks that currently face the DFN Foundation and principal mitigating strategies are:

- Safeguarding failure or adverse regulator opinion. The Trustees keep quality at the forefront of its strategy.
- Maintaining investment performance to deliver on the investment objective. The Board collectively has significant experience of the financial markets (as detailed below) to ensure informed judgements are made in the selection and management of the portfolio.

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

- David Forbes-Nixon has over 30 years' experience in financial markets after retiring as Chairman and Chief Executive at Alcentra, a large Asset Manager (circa US\$34 billion) in the sub investment grade credit space.
- James Dickson has over 23 years' experience as an investment manager.
- The day to day management of the ongoing projects is undertaken by the CEO (and advisors as necessary) whilst overseen by the Executive Chair. The Board remains of the view that this hands on approach serves to identify and respond to any issues that may arise as projects progress. In addition, the close involvement of the CEO and oversight by the Executive Chair enables them to be fully apprised of any events which might give rise to unwelcome attention and hence reputational risks.
- Selection of projects to deliver the charitable objectives. The agreed criteria by which the Board judge future projects is set out below, aided by the setting of clear objectives with all partner organisations and monitoring and reporting progress against such agreed criteria. This underlines the Board's established approach in the careful selection of advisors and partners with appropriate experience and a proven track record within their specialist sectors.

The approach of the Board in the selection of projects to provide the most positive impact for the beneficiaries is to address the following key questions:

- How many people will benefit and by how much?
- Is this the most effective thing that we can do?
- Is this area neglected?
- What would happen if we were to do nothing?
- What are our chances of success and how good will our success be?

Diversity

Respecting diversity is one of the DFN Foundation's key values and we are committed to being an inclusive organisation where diversity is welcomed and valued. The DFN Foundation, through its support for relevant organisations, strives to promote a culture where people treat each other with mutual respect regardless of age, disability, gender, marital or civil partnership status, pregnancy and maternity, gender reassignment, race, religion and belief or sexual orientation.

Structure, governance and management

The Charity is a company limited by guarantee, incorporated on 21 February 2014 and registered as a charity on 24 February 2014. The company was established under a Memorandum of Association which established the objects and powers of the Charitable Company and is governed under its Articles of Association.

The Board of Trustees is responsible for the overall governance of the Charity and meets as a Board at least three times a year. The Trustees, who are also directors for the purposes of company law, and who have served since the end of the previous year are:

Mr D Forbes-Nixon OBE

Mr J Dickson

Mr S N Konsta

Mr E W Low

Mr H P Forbes-Nixon

Mr T O'Beirne

(Appointed 1 September 2023)

(Appointed 20 December 2023)

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

The number of Trustees shall not be less than two.

None of the Trustees receive remuneration or other benefit from their work for the Charity. Expenses incurred by the Trustees in the performance of their duties are reimbursed. None of the Trustees has any beneficial interest in the company. All the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The Board of Trustees administers the Charity. In doing so the Trustees have delegated the day-to-day administration of the Charity to the Executive Chair, Mr David Forbes-Nixon OBE. Trustees receive regular reports on the progress of the projects in hand and meet (formally as noted above and via telephone/ virtual meetings) to discuss progress, future projects and to approve current and future expenditure and the funding thereof. As described above the Charity is working in partnership with an existing school, Undershaw Education Trust in Hindhead (Registered Charity number 1039622), in pursuance of the educational objective. The CEO of the DFN Foundation, Claire Cookson, is a Trustee of Undershaw Education Trust.

Trustee selection and induction

The Trustees regularly review the composition of the Board and its various sub-committees. When a vacancy arises the Trustees look at the blend of experience and skills of Trustees to ensure that these meet the needs of the Charity and instigate a recruitment process if required. This will involve advertising both locally and nationally as well as more informal approaches to individuals who have the relevant skills and experience.

All new Trustees are invited to attend induction training with the Chair and CEO. New Trustees are briefed on their legal obligations under charity and company law, on their role and responsibilities as Trustees, the Charity Commission guidance on public benefit, the content of the governing document, the decision-making process, the business plans and recent financial performance of the Charity.

Auditor

Dixon Wilson Audit Services LLP were appointed as auditor to the charitable company and a resolution proposing that they be re-appointed will be put at a General Meeting.

Disclosure of information to auditor

The Trustees who were in office on the date of the approval of these financial statements, having made reasonable enquiry, have collectively confirmed that, as far as they are aware, there is no relevant audit information undisclosed to the company's auditor and that they have taken the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

This Report was approved by the Board of Trustees and signed on its behalf by:

Mr D Forbes-Nixon OBE
Chairman

11 September 2024

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees, who are also the directors of David Forbes-Nixon Family Charitable Foundation for the purpose of company law, are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial 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 year.

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 accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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 charity 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.

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

Opinion

We have audited the financial statements of David Forbes-Nixon Family Charitable Foundation (the 'charitable company') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows 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 2023 and of its incoming resources and application of resources, 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 Charities Act 2011.

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 charitable company 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees (who are also 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We gained an understanding of the legal and regulatory framework applicable to the charitable company by considering, amongst other things, the sector in which it operates, and considered the risk of acts by the charitable company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, but recognised that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focused on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Charities Act 2011 and the Companies Act 2006.

Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of third parties.

As in all our audits, we also addressed the risk management override internal controls, including testing journals and evaluating whether there was any evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud.

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Dixon Wilson Audit Services LLP

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**Chartered Accountants
Statutory Auditor**

22 Chancery Lane
London
WC2A 1LS

Dixon Wilson Audit Services LLP is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

Current financial year

		Unrestricted funds	Restricted funds	Total	Total
	Notes	2023 £	2023 £	2023 £	2022 £
<u>Income from:</u>					
Donations	3	10,800	-	10,800	20,000
Income from investments	4	183,007	-	183,007	270,420
Other incoming resources	5	126,261	-	126,261	128,738
Total income		320,068	-	320,068	419,158
<u>Expenditure on:</u>					
Raising funds	6	45,833	-	45,833	47,471
Charitable activities	7	366,948	154,159	521,107	606,278
Total resources expended		412,781	154,159	566,940	653,749
Net gains/(losses) on investments	14	1,229,635	-	1,229,635	(1,123,280)
Net incoming/(outgoing) resources		1,136,922	(154,159)	982,763	(1,357,871)
Other recognised gains and losses					
Other losses	15	(5,275)	-	(5,275)	(2,655)
Net movement in funds		1,131,647	(154,159)	977,488	(1,360,526)
Fund balances at 1 January 2023		20,213,252	227,663	20,440,915	21,801,441
Fund balances at 31 December 2023		21,344,899	73,504	21,418,403	20,440,915

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

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

FOR THE YEAR ENDED 31 DECEMBER 2023

Prior financial year

		Unrestricted funds	Restricted funds	Total
		2022	2022	2022
	Notes	£	£	£
<u>Income from:</u>				
Donations	3	20,000	-	20,000
Income from investments	4	270,420	-	270,420
Other incoming resources	5	128,738	-	128,738
Total income		<u>419,158</u>	<u>-</u>	<u>419,158</u>
<u>Expenditure on:</u>				
Raising funds	6	47,471	-	47,471
Charitable activities	7	435,478	170,800	606,278
Total resources expended		<u>482,949</u>	<u>170,800</u>	<u>653,749</u>
Net gains/(losses) on investments	14	(1,123,280)	-	(1,123,280)
Net incoming/(outgoing) resources		<u>(1,187,071)</u>	<u>(170,800)</u>	<u>(1,357,871)</u>
Other recognised gains and losses				
Other losses	15	(2,655)	-	(2,655)
Net movement in funds		<u>(1,189,726)</u>	<u>(170,800)</u>	<u>(1,360,526)</u>
Fund balances at 1 January 2022		21,402,978	398,463	21,801,441
Fund balances at 31 December 2022		<u>20,213,252</u>	<u>227,663</u>	<u>20,440,915</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Tangible assets	16		6,731,038		6,744,855
Investments	17		13,762,908		13,433,688
			<u>20,493,946</u>		<u>20,178,543</u>
Current assets					
Debtors	18	15,250		5,953	
Cash at bank and in hand		1,150,417		1,156,777	
		<u>1,165,667</u>		<u>1,162,730</u>	
Creditors: amounts falling due within one year	21	(206,934)		(872,927)	
Net current assets			<u>958,733</u>		<u>289,803</u>
Total assets less current liabilities			<u>21,452,679</u>		<u>20,468,346</u>
Creditors: amounts falling due after more than one year	22		(34,276)		(27,431)
Net assets			<u><u>21,418,403</u></u>		<u><u>20,440,915</u></u>
Income funds					
Restricted funds	27		73,504		227,663
<u>Unrestricted funds</u>					
Designated funds	28	43,964		200,247	
General unrestricted funds		21,300,935		20,013,005	
		<u>21,344,899</u>		<u>20,213,252</u>	
			<u><u>21,418,403</u></u>		<u><u>20,440,915</u></u>

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2023

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 11 September 2024

Mr D Forbes-Nixon OBE
Executive Chair

Company Registration No. 08906571

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash absorbed by operations	33		(1,084,507)		(922,548)
Investing activities					
Purchase of investments		(2,384,169)		(1,669,991)	
Proceeds from disposal of investments		3,284,584		1,579,759	
Investment income received		183,007		270,420	
		<u> </u>		<u> </u>	
Net cash generated from investing activities			1,083,422		180,188
Net cash used in financing activities			<u> </u>		<u> </u>
			-		-
Net decrease in cash and cash equivalents			(1,085)		(742,360)
Cash and cash equivalents at beginning of year			1,156,777		1,901,792
Effect of foreign exchange rates			(5,275)		(2,655)
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			<u>1,150,417</u>		<u>1,156,777</u>

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

David Forbes-Nixon Family Charitable Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is 8-10 Grosvenor Gardens, London, SW1W 0DH.

In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in pounds sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees had a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the Financial Statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used or by the terms or nature of the appeal under which the funds were raised. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Where the DFN Family Foundation has entered into a contract for the supply of services over a period exceeding one year, income received at the commencement of the contract is recognised within the accounts on a time apportioned basis associated with the expected delivery of that service over the life of the contract.

Income arising from investments is generally recognised on receipt. As set out in note 24, a potential income stream (termed carried interest income) has been made available to the DFN Family Foundation by the Executive Chair arising from the inclusion of the DFN Family Foundation within the profit share arrangement for a number of investments to which the Executive Chair is a party.

Carried interest income is recognised once the receipt of funds is probable and a reasonable estimate of the amount can be made. This will not be before the time the underlying fund has realised sufficient returns to exceed its hurdle rate. Before income is recognised, that is before receipt of funds is probable and a reasonable estimate of the amount can be made, the Trustees' best estimate of the amount and timing of future carried interest income is disclosed as a contingent asset.

1.5 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its charitable activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs are associated with meeting the constitutional and statutory arrangements of the Charity, including external audit and the cost of preparing statutory accounts, the cost of Trustees' meetings and other costs involved with the Charity's strategic management.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Wherever possible, costs relating to a particular activity are allocated directly; others are apportioned on the basis of the ratio of resources expended in respect of each charitable activity.

Irrecoverable VAT is included with the item of expenditure to which it relates.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	Not depreciated
Hydrotherapy pool	5% straight line
Furniture and equipment	25% reducing balance method
IT equipment	3 year straight line method
Charity website	3 year straight line method

No depreciation is provided in respect of freehold land and buildings. Please see note 2 for the Trustees' comments.

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

1.9 Cash and cash equivalents

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

1.10 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.11 Employee benefits

Where material the cost of any unused holiday entitlement is recognised in the period in which the employees' services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

The DFN Foundation offers a defined contribution pension scheme for employees whereby the assets of the scheme are held separately within an independently administered fund.

Payments to an employee's personal pension plan can also be made at the Trustees' discretion.

Payments to the defined contribution pension scheme and an employee's personal pension are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases are charged to income on a straight line basis over the term of the relevant lease.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure) for the period.

1.15 Activity basis allocation

Support costs are those costs incurred in support of the charitable activities. Where appropriate these costs are allocated directly to the activity concerned. Other costs are allocated between each activity in proportion to the direct expenditure incurred under each activity heading.

1.16 Mixed motive investments

The DFN Foundation has invested in the purchase and development of Undershaw to support the expansion of Undershaw Education Trust in Hindhead by the provision of accommodation to meet the growing demand for places at this special needs school. At the completion of the development work the DFN Foundation entered into a lease with Undershaw Education Trust for which a concessionary level of rent was agreed.

The DFN Foundation recognised the mixed motive nature of its investment (as defined within SORP FRS 102) which is carried at historical cost subject to the application of depreciation and periodic impairment reviews.

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

2 Critical accounting estimates and judgements

Critical judgements

Undershaw

The Board considers that the evaluation of useful economic life for the Undershaw property and the application of depreciation to be the area of judgement with a significant effect on the financial statements.

The Board consider that the comprehensive maintenance programme in place for Undershaw property will maintain the property in very good order, and on this basis judge that the residual value at the end of the expected useful life of the property will be no less than the carrying value. On this basis no depreciation is applied for the freehold property.

Judgement is applied in evaluating the useful life of each asset. This is based on either the maintenance and servicing programme or the period of obsolescence, and on the expectation that each asset will warrant replacement or substantial refurbishment at the end of its useful life.

Impairment of fixed assets

In addressing the impairment of the Undershaw property the Board considered the value in use of the property. The Board judge that the property meets its intended service potential at the balance sheet date and are not aware of any matters that will diminish this in the foreseeable future. On this basis the value in use is judged to be not less than the construction cost.

Critical estimates

Funding commitments

The Board have projected the future value of the funding commitments based on the average return of investment rate and projected cash payments. These estimates are based on market conditions and the resources committed which are subject to change annually. Due to the volatility of the market and uncertainty over the timing of future payments, the future movement is uncertain. The Board therefore provide their best estimate at the year end. Further details on the calculation of funding commitments are provided in note 24.

Contingent assets

The contingent asset disclosed within note 24 is based on a number of critical estimates. However the estimated value of the contingent asset is not included within the carrying amount of assets and liabilities due to its uncertain amount and probability. Future cash inflows will be recognised in the Financial Statements when they are considered probable and can be reliably measured. Further information on the contingent asset is contained within note 24 of the Financial Statements.

Unlisted investments

There are critical estimates within the reporting of unlisted investments in note 17. The value of unlisted investments is based on the net asset value as provided by the fund manager. The net asset value determines the unrealised gain or loss on the investment at the year end in addition to the asset carrying amount on the Balance Sheet. The unlisted investments are not traded on a public market and therefore there is a degree of judgement in the net asset value by the fund manager.

3 Donations

	2023	2022
	£	£
Donations	10,800	20,000
	<u> </u>	<u> </u>

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

4 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Rental income	114,458	112,016
Income from listed investments	61,961	56,571
Income from unlisted investments	-	87,411
Other income from listed investments	-	12,701
Interest receivable	6,588	1,721
	<u>183,007</u>	<u>270,420</u>

5 Other incoming resources

	2023 £	2022 £
Expenditure recharged to DFN Project SEARCH for office facilities	4,500	-
Expenditure recharged to DFN Project SEARCH for the services of the CEO	121,457	128,738
Expenditure recharged to DFN Project SEARCH for other expenses	304	-
	<u>126,261</u>	<u>128,738</u>

The DFN Foundation raise a monthly invoice at cost for the time that the CEO devotes to DFN Project SEARCH, as set out above.

DFN Project SEARCH was also invoiced for the cost of office rent and other expenses.

6 Raising funds

	2023 £	2022 £
Investment management fees	45,833	47,471
	<u>45,833</u>	<u>47,471</u>

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

7 Charitable activities	Education and Employability	Healthcare	Conservation	Total	Education and Employability	Healthcare	Total
	2023 £	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £
Employability Project							
Employability Project funding	700	-	-	700	15,486	-	15,486
Sponsorship of Anthropy event	25,203	-	-	25,203	-	-	-
DFN MoveForward							
MoveForward funding	154,159	-	-	154,159	170,800	-	170,800
	<u>180,062</u>	<u>-</u>	<u>-</u>	<u>180,062</u>	<u>186,286</u>	<u>-</u>	<u>186,286</u>
Grant funding of activities (note 8)	8,901	5,208	16,667	30,776	110,833	26,703	137,536
Share of support costs (note 10)	239,333	4,745	15,308	259,386	208,180	14,888	223,068
Share of governance costs (note 10)	44,887	1,428	4,568	50,883	54,556	4,832	59,388
	<u>473,183</u>	<u>11,381</u>	<u>36,543</u>	<u>521,107</u>	<u>559,855</u>	<u>46,423</u>	<u>606,278</u>
Analysis by fund							
Unrestricted funds	319,024	11,381	36,543	366,948	389,055	46,423	435,478
Restricted funds	154,159	-	-	154,159	170,800	-	170,800
	<u>473,183</u>	<u>11,381</u>	<u>36,543</u>	<u>521,107</u>	<u>559,855</u>	<u>46,423</u>	<u>606,278</u>

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

8 Grants payable

	Education and Employability	Healthcare	Conservation	Total	Education and Employability	Healthcare	Total
	2023	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£	£
Grants to institutions:							
Himalayan Youth Foundation	3,000	-	-	3,000	3,000	-	3,000
Myeloma UK	-	5,208	-	5,208	-	26,703	26,703
Anthropy	-	-	-	-	20,000	-	20,000
DFN Project SEARCH	4,818	-	-	4,818	-	-	-
Undershaw Education Trust	988	-	-	988	58,741	-	58,741
Big Butterfly Count	-	-	16,667	16,667	-	-	-
Phoenix Youth Club	-	-	-	-	20,000	-	20,000
Clifton College Development Trust	95	-	-	95	9,092	-	9,092
	<u>8,901</u>	<u>5,208</u>	<u>16,667</u>	<u>30,776</u>	<u>110,833</u>	<u>26,703</u>	<u>137,536</u>

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year. Two trustees (2022 Two) were reimbursed, or had expenses paid directly to third parties, a total of £5,720 (2022 £606) for expenses incurred throughout the year for various meetings with trustees, management and future business partnerships, conference equipment, and subscriptions in support of their charitable work.

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

10 Support costs

	Support costs	Governance costs	2023	2022	Basis of allocation
	£	£	£	£	
Staff costs	146,821	-	146,821	155,923	Resources expended
Depreciation	13,817	-	13,817	16,454	Direct allocation
Property costs	19,146	-	19,146	12,571	Direct allocation
Website hosting	594	-	594	76	Resources expended
Administration costs	19,288	-	19,288	11,588	Resources expended
Education consultancy	48,034	-	48,034	11,059	Direct allocation
Public relations	11,686	-	11,686	15,397	Resources expended
Audit fees	-	17,430	17,430	17,396	Resources expended
Legal and professional fees	-	14,627	14,627	22,321	Resources expended
Trustees' expenses	-	963	963	606	Resources expended
Management expenses	-	16,203	16,203	18,206	Resources expended
Bank charges	-	184	184	59	Resources expended
Board expenses	-	1,476	1,476	800	Resources expended
	<u>259,386</u>	<u>50,883</u>	<u>310,269</u>	<u>282,456</u>	
Analysed between					
Charitable activities	<u>259,386</u>	<u>50,883</u>	<u>310,269</u>	<u>282,456</u>	

The DFN Foundation initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the charitable activities undertaken in the year.

Where possible support and governance costs are allocated directly to the relevant charitable activity. Remaining costs are allocated on the basis of the ratio of resources expended between the charitable activities.

As set out in note 5 the DFN Foundation raised monthly invoices (at cost) for support costs utilised by DFN Project SEARCH.

11 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	2023	2022
	£	£
Audit of the annual accounts	<u>17,430</u>	<u>17,396</u>

12 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

13 Employees

Number of employees

	2023	2022
	Number	Number
Management	1	1

Employment costs

	2023	2022
	£	£
Wages and salaries	117,643	123,756
Social security costs	9,936	11,540
Other pension costs	19,242	20,627
	<u>146,821</u>	<u>155,923</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2023	2022
	Number	Number
£120,000 - £129,000	1	-
£130,000 - £139,000	-	1

Remuneration for this purpose includes gross salary and employer national insurance contributions.

Contributions totalling £19,242 (2022 £20,627) were made to defined contribution pension schemes on behalf of employees whose emoluments exceed £60,000.

The CEO received total remuneration of £146,821 (2022 £155,923) for the year to 31 December 2023.

The DFN Foundation shares a joint CEO with DFN Project SEARCH. During the year the DFN Foundation raised monthly invoices for the time that the CEO had devoted to DFN Project SEARCH. The CEO's employment costs recharged to DFN Project SEARCH amounted to £121,457 (2022 £128,738) for the year.

14 Net gains/(losses) on investments

	Unrestricted	Unrestricted
	funds	funds
	2023	2022
	£	£
Revaluation of investments	938,552	(1,343,090)
Gains on sale of investments	340,702	288,288
Foreign exchange losses on investments	(49,619)	(68,478)
	<u>1,229,635</u>	<u>(1,123,280)</u>

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

15 Other gains or losses

	2023 £	2022 £
Foreign exchange losses	(5,275)	(2,655)

Foreign exchange losses comprise of £5,275 (2022 £2,655) relating to realised currency losses and exchange rate differences.

16 Tangible fixed assets

	Land and buildings £	Hydrotherapy pool £	Furniture and equipment £	IT equipment £	Charity website £	Total £
Cost						
At 1 January 2023	6,622,912	148,161	190,657	112,192	1,500	7,075,422
At 31 December 2023	6,622,912	148,161	190,657	112,192	1,500	7,075,422
Depreciation and impairment						
At 1 January 2023	-	51,856	165,019	112,192	1,500	330,567
Depreciation charged in the year	-	7,408	6,409	-	-	13,817
At 31 December 2023	-	59,264	171,428	112,192	1,500	344,384
Carrying amount						
At 31 December 2023	6,622,912	88,897	19,229	-	-	6,731,038
At 31 December 2022	6,622,912	96,305	25,638	-	-	6,744,855

The carrying value of land included in land and buildings comprises:

	2023 £	2022 £
Freehold	300,000	300,000

The purchase and renovation of the main Undershaw property, through which the DFN Foundation is delivering on part of its educational charitable objective is termed a mixed motive investment within the SORP FRS 102 as set out in note 19.

17 Fixed asset investments

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

17 Fixed asset investments	(Continued)		
	Listed investments £	Unlisted investments £	Total £
Cost or valuation			
At 1 January 2023	4,443,119	8,990,569	13,433,688
Additions	2,124,506	259,663	2,384,169
Valuation changes	(43,801)	932,734	888,933
Realised gains/ (losses) on disposal	227,733	112,969	340,702
Disposals	(2,107,504)	(1,177,080)	(3,284,584)
	<hr/>	<hr/>	<hr/>
At 31 December 2023	4,644,053	9,118,855	13,762,908
	<hr/>	<hr/>	<hr/>
Carrying amount			
At 31 December 2023	4,644,053	9,118,855	13,762,908
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2022	4,443,119	8,990,569	13,433,688
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Other investments comprise:		2023 £	2022 £
Investments in subsidiaries	32	1	1
		<hr/>	<hr/>
		1	1
		<hr/> <hr/>	<hr/> <hr/>
Investments at fair value comprise:		2023 £	2022 £
Unlisted investments		9,118,855	8,990,569
Listed investments		4,644,053	4,443,119
		<hr/>	<hr/>
		13,762,908	13,433,688
		<hr/> <hr/>	<hr/> <hr/>
Fixed asset investments revalued			
The investments held for long term capital growth and income growth potential are valued at the balance sheet date at fair value on the basis of:			
Listed investments:	- year end market valuation		
Unlisted investments:	- underlying net assets as valued by the fund manager		

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

18 Debtors	2023	2022
Amounts falling due within one year:	£	£
Other debtors	10,627	-
Prepayments and accrued income	4,623	5,953
	<u>15,250</u>	<u>5,953</u>

19 Mixed motive investments	Freehold Property	
	2023	2022
	£	£
At 1 January 2023	6,322,912	6,322,912
At 31 December 2023	<u>6,322,912</u>	<u>6,322,912</u>

As noted in previous reports, in the summer of 2016 the Charity completed the development of Undershaw into a special purpose school to provide facilities to disabled children.

The property is held within fixed assets in accordance with Section 21.15 of the SORP. The carrying value of the social investment as at 31 December 2023 was £6,322,912.

The primary objective of this investment remains the furtherance of the Charity's objective to provide disabled students with access to educational provision improving access to employment, improved life skills and social communication.

The property continues to be leased to Undershaw Education Trust at a below market rate of rental, details of which are provided in note 31, and investment income from this property is considered of secondary importance to the furtherance of the Charity's objectives.

20 Financial instruments	2023	2022
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	10,627	-
Instruments measured at fair value through profit or loss	13,762,908	13,433,688
	<u>13,773,535</u>	<u>13,433,688</u>
Carrying amount of financial liabilities		
Measured at amortised cost	241,210	900,358
	<u>241,210</u>	<u>900,358</u>

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

21 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other taxation and social security	7,752	16,375
Trade creditors	7,496	6,083
Other creditors	53,786	216,437
Accruals	137,900	634,032
	<u>206,934</u>	<u>872,927</u>

22 Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Other creditors	34,276	27,431
	<u>34,276</u>	<u>27,431</u>

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

23 Funding commitments

Myeloma UK

In 2015 the DFN Foundation entered into a commitment to provide a grant to Myeloma UK (charity registered in Scotland - 026116) of £1,000,000 to fund a development programme focusing on research. An agreement was put in place including a timeline for the payment of the commitment. Myeloma UK raise invoices to the DFN Family Foundation periodically for the work completed on the research programme.

The ongoing commitment extending beyond the 12 months following the balance sheet date is carried at amortised cost using the effective interest method. Due to overpayments made in earlier periods, the effective interest rate fell from 5% to 2.6% for future periods. A charge of £5,208 has been recognised within the SOFA.

Remaining cash payments of £45,686 (discounted value £43,964) are due to Myeloma UK and projected to be made by the year ended 31 December 2025.

At the year end the funding commitment to Myeloma UK due within one year is calculated as £21,700 (2022 £200,247) and shown within other creditors in note 21. The commitment due after one year amounts to £22,264 (2022 £nil) and is shown within other creditors note 22.

The DFN Foundation will continue to fund the commitment from current unrestricted cash reserves.

Undershaw Educational Consultant

In 2022 the charity entered into a commitment to jointly fund the position of an educational consultant for Undershaw Education Trust. The commitment was to provide £15,000 per year for three years.

The ongoing commitment extending beyond the 12 months following the balance sheet date is calculated by the amortised cost method using an average return of investment rate calculated at 5% per annum. A charge of £714 has been recognised within the SOFA.

At the year end the funding commitment for the educational consultant due within one year is £13,605 (2022 £14,286) and shown within other creditors in note 21. The commitment due after one year amounts to £8,639 (2022 £22,244) and is shown within other creditors note 22.

Clifton College Development Trust

In 2022 the charity entered into a commitment with Clifton College Development Trust to provide £2,000 annually for five years.

The ongoing commitment extending beyond the 12 months following the balance sheet date is calculated by the amortised cost method using an average return of investment rate calculated at 5% per annum. A charge of £95 has been recognised within the SOFA.

At the year end the funding commitment due within one year is £1,814 (2022 £1,905) and shown within other creditors note 21. The commitment due after one year amounts to £3,373 (2022 £5,187) and is shown within other creditors note 22.

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

24 Contingent asset

As noted in the Trustees' Report, in assessing current and future projects and the resources that may be absorbed, the Board maintain a review over income that may be expected to arise (with a reasonable degree of certainty) over the same period.

The Trustees' Report refers to a potential income stream that has been made available to the DFN Foundation by the Executive Chair arising from the inclusion of the DFN Foundation within the profit share arrangements for a number of investments to which the Executive Chair is a party.

It should be noted that the potential for future income is only available if each investment achieves a given level of performance over a minimum hurdle rate of return throughout the investment cycle; failure to achieve the given level will result in no income. It should also be noted that the DFN Foundation is participating in a profit share arrangement and the success (or otherwise) of each investment will not result in any future liability or additional commitment for the DFN Foundation.

At the year end the success (or otherwise) of achieving the given level of performance is unknown.

The table below sets out the estimated sums and the anticipated time scale. Both the sums and time scale are based on a number of estimates and assumes that the set performance criteria are achieved over the remaining life of each investment. On this basis the Board are of the view that the application of present value calculations to the figures below would not be appropriate.

• Potential receipt in year ended 31 December 2026	£1,020,362
• Potential receipt between 2024 and 2025	£137,093

The Board have determined that the estimation of future income for the purposes of the contingent asset note be reviewed annually. At each year end, where it is probable that future cash inflows arising from an investment can be measured reliably the income will be recognised in the Financial Statements.

No cash receipts were received from the above investments during 2023 (2022 £12,701). At the year end no income has been recognised in respect of future years (2022 nil).

25 Retirement benefit schemes

Defined contribution schemes

The charitable company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The Charity contributes a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Charity with respect to the scheme is to make the specified contributions.

At the current time the sole employee of the DFN Foundation has chosen to have contributions paid to a separate personal pension, rather than the DFN Foundation's pension scheme. The offered defined contribution pension scheme is therefore not used by any current employees.

The charge to the statement of financial activities in respect of pension contributions is £19,242 (2022 £20,627).

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

26 Financial commitments, guarantees and contingent liabilities

Investments

The DFN Foundation holds a portfolio which includes a range of investments. Within this portfolio are specialist investment vehicles which are held as unquoted fixed asset investments. The nature of this investment fund requires the DFN Foundation to make capital payments over a multi year period of up to an amount which the DFN Foundation had committed to on application. Within this period, and as other investors join the fund, the DFN Foundation can be entitled to capital repayments as equalisation. Within the overall commitment of funds the timing and magnitude of each capital payment, or any equalisation repayments, are not subject to a set timetable.

At the year end the DFN Foundation had outstanding commitments under two investments of £2,374,203 (2022 two investments of £2,007,653).

27 Restricted funds

Details of restricted income and expenditure for the current and previous year are detailed below:-

Movement in funds						
	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Transfers £	Revaluations, gains and losses £	Balance at 31 December 2023 £
DFN MoveForward	227,663	-	(154,159)	-	-	73,504
	<u>227,663</u>	<u>-</u>	<u>(154,159)</u>	<u>-</u>	<u>-</u>	<u>73,504</u>
	<u>227,663</u>	<u>-</u>	<u>(154,159)</u>	<u>-</u>	<u>-</u>	<u>73,504</u>

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Transfers £	Revaluations, gains and losses £	Balance at 31 December 2022 £
DFN MoveForward	398,463	-	(170,800)	-	-	227,663
	<u>398,463</u>	<u>-</u>	<u>(170,800)</u>	<u>-</u>	<u>-</u>	<u>227,663</u>
	<u>398,463</u>	<u>-</u>	<u>(170,800)</u>	<u>-</u>	<u>-</u>	<u>227,663</u>

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

27 Restricted funds

(Continued)

DFN MoveForward

DFN MoveForward is an employability programme built on the tried and tested work of ThinkForward with the purpose to support and help young people with mild to moderate learning disabilities into sustainable paid employment.

As the lead commissioner through a Social Impact Bond, and with the aid of generous donations from supportive partner organisations, the DFN Foundation has set aside in total £1,000,000 to assist in the funding of the DFN MoveForward Project over 5 years commencing in 2018.

The Government's Life Chances Fund is working with the DFN Foundation within the Social Impact Bond to provide match funding in addition to the DFN Foundation's commitment.

Funds are advanced to ThinkForward on the basis of set sums as verified key goals are achieved by each young person as they move through the programme to sustained paid employment. Should any of the key goals not be met the DFN Foundation and its partners are not obligated to provide funds.

The impact of COVID-19 necessitated a review of the delivery of the programme.

In response to the limitations of the lockdown and social distancing rules the DFN Foundation has worked with ThinkForward to focus the work towards an activities based approach.

These accounts reflect a provision for payments due to ThinkForward of £154,159 (2022 £170,800) which were invoiced and paid shortly after the year end. The Board expect the remaining balance of £73,504 to be settled within twelve months of the year end.

28 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations which are not subject to specific conditions by donors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds for specific purposes, as set out below:

	At 1 January 2023	Incoming resources	Resources expended	Gains and losses	At 31 December 2023
	£	£	£	£	£
Myeloma UK	200,247	-	(156,283)	-	43,964
General funds	20,013,005	320,068	(256,498)	1,224,360	21,300,935
	<u>20,213,252</u>	<u>320,068</u>	<u>(412,781)</u>	<u>1,224,360</u>	<u>21,344,899</u>
Previous year:	At 1 January 2022	Incoming resources	Resources expended	Gains and losses	At 31 December 2022
	£	£	£	£	£
Myeloma UK	534,060	-	(333,813)	-	200,247
General funds	20,868,918	419,158	(149,136)	(1,125,935)	20,013,005
	<u>21,402,978</u>	<u>419,158</u>	<u>(482,949)</u>	<u>(1,125,935)</u>	<u>20,213,252</u>

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

28 Unrestricted funds

(Continued)

Funds have been designated by the Trustees to settle funding commitments to Myeloma UK. The terms of the funding commitment are as specified within note 23.

29 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Designated funds	Total
	£	£	£	£
Fund balances at 31 December 2023 are represented by:				
Tangible assets	6,731,038	-	-	6,731,038
Investments	13,762,908	-	-	13,762,908
Current assets/(liabilities)	841,265	73,504	43,964	958,733
Long term liabilities	(34,276)	-	-	(34,276)
	<u>21,300,935</u>	<u>73,504</u>	<u>43,964</u>	<u>21,418,403</u>
Fund balances at 31 December 2022 are represented by:				
Tangible assets	6,744,855	-	-	6,744,855
Investments	13,433,688	-	-	13,433,688
Current assets/(liabilities)	(138,107)	227,663	200,247	289,803
Long term liabilities	(27,431)	-	-	(27,431)
	<u>20,013,005</u>	<u>227,663</u>	<u>200,247</u>	<u>20,440,915</u>

30 Operating lease receipts lessor

The DFN Foundation continued to lease the freehold building and grounds to Undershaw Education Trust.

In accordance with the terms of the lease Undershaw Education Trust shall use the Undershaw property for the provision of education.

The current tenant repairing and insuring lease is for a period of 10 years which commenced on 1st September 2019, with future rent payments continuing on 1st January, 1st May and 1st September. The sums charged in the year remain below the full market rate.

An additional rental charge is made for reimbursement of the premium to insure the building.

The DFN Foundation has expressed its long term support of Undershaw Education Trust.

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

30 Operating lease receipts lessor

(Continued)

At the Balance Sheet date the School had contracted with the DFN Foundation for the following minimum lease payments:

	2023 £	2022 £
Within one year	100,000	100,000
Between two and five years	400,000	400,000
In over five years	66,667	166,667
	<u>566,667</u>	<u>666,667</u>

31 Transactions with related parties

During the year the DFN Foundation entered into the following transactions with related parties:

	Leases	
	2023 £	2022 £
Undershaw Education Trust		
Rental income	100,000	100,000
Reimbursement of insurance	14,458	12,016
	<u>114,458</u>	<u>112,016</u>

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

31 Transactions with related parties

(Continued)

Undershaw Education Trust

Undershaw Education Trust (Registered Charity - 1039622) is a related party due to the significant influence the Board of Trustees of the DFN Foundation has over the Board of Undershaw Education Trust. Undershaw Education Trust was granted the right to use the property of Undershaw as a school site, under the terms of a lease agreement, for a fee below that of market rental.

Grants of £988 were made to Undershaw Education Trust in the year ending 31 December 2023 (2022 £58,741).

At the year end the DFN Foundation owed £25,000 to Undershaw Education Trust (2022 £40,000) for funding commitments as detailed in note 23.

Forbes Capital Investments Limited

In 2021 Forbes Capital Investments Limited provided the use of an employee to undertake administrative services for the DFN Foundation and on behalf of David Forbes-Nixon in his role as Trustee.

At the year end the DFN Foundation owed £nil (2022 £11,785) to Forbes Capital Investments Limited.

DFN Project SEARCH

DFN Project SEARCH was considered a related party of the DFN Foundation following the appointment of a joint CEO in 2020.

The transactions between the two organisations are:

A grant of £4,818 was paid to DFN Project SEARCH by DFN Foundation during the year (2022 £nil) as reported in note 8.

Charges made at cost for the services of the CEO of £121,457 (2022 £128,738) as reported in note 5.

Shared office facilities of £4,500 and other expenses of £304 were also recharged to DFN Project SEARCH during the year (2022 nil).

The DFN Foundation received the services of the Finance Director employed by DFN Project SEARCH for which invoices were raised at cost totalling £15,904 (2022 £17,450). These costs are reported within management expenses in note 10.

At the year end the DFN Project SEARCH owed DFN Foundation £10,109 (2022 DFN Foundation owed DFN Project SEARCH £128,880). This balance is reported within other debtors in note 18.

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

32 Subsidiaries

In keeping with its statutory obligations, the Board has arranged for separate Financial Statements for the period to 31 December 2023 to be prepared for the subsidiary. The Board have not prepared consolidated Financial Statements as the relevant thresholds which require such treatment were not exceeded in the year under review.

Details of the charitable company's subsidiaries at 31 December 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
DFN Events Limited	UK	Dormant company	Ordinary	100.00

33 Cash generated from operations

	2023 £	2022 £
Surplus/(deficit) for the year	982,763	(1,357,871)
Adjustments for:		
Investment income recognised in statement of financial activities	(183,007)	(270,420)
Foreign exchange differences	-	2,655
Foreign exchange loss on investments	49,619	68,478
Gain on disposal of investments	(340,702)	(288,288)
Fair value gains and losses on investments	(938,552)	1,343,090
Depreciation and impairment of tangible fixed assets	13,817	16,454
Movements in working capital:		
(Increase)/decrease in debtors	(9,297)	14,297
(Decrease) in creditors	(659,148)	(417,610)
(Decrease) in deferred income	-	(33,333)
Cash absorbed by operations	(1,084,507)	(922,548)

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

England & Wales - Charity number 1155919

Accounts

Charity registration number 1155919

Company registration number 08906571 (England and Wales)

DAVID FORBES-NIXON CHARITABLE FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

DAVID FORBES-NIXON CHARITABLE FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr D Forbes-Nixon Mr J Dickson Mr S N Konsta Mr E W Low Mr H Forbes-Nixon	(Appointed 1 September 2023)
Charity number	1155919	
Company number	08906571	
Principal address	10 Norwich Street London EC4A 1BD	
Registered office	10 Norwich Street London EC4A 1BD	
Auditor	Dixon Wilson Audit Services LLP 22 Chancery Lane London WC2A 1LS	
Bankers	Barclays 1 Churchill Place Canary Wharf London E14 5HP	
Accountants	Humphrey & Co 7-9 The Avenue Eastbourne East Sussex BN21 3YA	
Solicitors	Macfarlanes LLP 20 Cursitor Street London EC4A 1LT	

DAVID FORBES-NIXON CHARITABLE FOUNDATION

CONTENTS

	Page
Trustees report	1 - 9
Statement of Trustees responsibilities	10
Independent auditor's report	11 - 13
Statement of financial activities	14 - 15
Balance sheet	16 - 17
Statement of cash flows	18
Notes to the financial statements	19 - 41

DAVID FORBES-NIXON CHARITABLE FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees of the David Forbes-Nixon Charitable Foundation (DFN Foundation) are pleased to present their Annual Report and Financial Statements for the year ended 31 December 2022 which has been prepared to meet the requirements for a Directors' Report and Accounts for Companies Act Purposes.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the requirements of the Companies Act 2006, the Charities Act 2011 the Charity's Memorandum and Articles of Association and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

The DFN Foundation is a registered charity (No. 1155919) and a company limited by guarantee (No. 08906571) and was incorporated on 21 February 2014.

Objectives and activities

The DFN Foundation's governing document defines the objectives as all purposes that are exclusively charitable under the law of England and Wales. The Trustees have directed the DFN Foundation to focus on four key purposes of education, employability, healthcare and conservation.

Achievements and performance

David Forbes-Nixon and the Board set four goals for the DFN Foundation to achieve over a ten year period:

1 - To create a world class special needs educational establishment at Undershaw Education Trust.

The DFN Foundation are delighted to report that in February 2022 Undershaw had a successful three day Ofsted inspection where they were judged to be Good in all areas.

Key highlights from the inspection found, 'Pupils speak proudly of their school. During the inspection, they happily told inspectors about their friends, their teachers and their favourite subjects. Pupils have often had an unsettled period of education prior to joining the school.

Adults provide skilful and sensitive support to help them to adjust to school life. Pupils feel secure and valued. They say that adults look after them well. Staff combine high expectations with warmth and good humour. Pupils respond well.

Pupils become increasingly independent and self-assured as they move up through the school. Those in the sixth form are well prepared for the next step in their education or career. Trusting and respectful relationships underpin the school's work. Pupils are friendly, polite and interested in visitors.

Pupils make impressive gains in the development of confidence, self-esteem and independence. Courses in subjects such as food hygiene and employability, combined with carefully chosen work placement opportunities, help to prepare pupils for the future. A strong focus on developing key life and employability skills in the sixth form ensures that pupils are well prepared personally, as well as academically, for the next stages of education or employment. All sixth-form pupils went on to a college or a supported internship placement in 2021. The school's outreach programme enables staff to monitor how pupils settle into their chosen destinations.

The chair of governors has introduced greater rigour to governors' monitoring roles since the previous inspection. A clear schedule of activities to check the school's work has been established. Training has ensured that governors know what to look for when visiting the school. The proprietor is working closely with the acting headteacher to support developments in the school's work and has ensured that the independent school standards continue to be met'.

DAVID FORBES-NIXON CHARITABLE FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

2 - To positively influence current practice so that young people with special educational needs and disabilities receive high quality work-related learning and improved access to long term paid employment.

2022 was seen as an inflection point in terms of our ability to support the significant impact on the life outcomes of young adults with a learning disability or autism spectrum condition through DFN Project SEARCH. With the largest data set in the UK and a successful evidence-based model, we continue to support the work to ensure that everyone with an Education, Health and Care Plan can access high quality transition to work support and training in their local area. We have consciously aimed to support the greater influence and strategic engagement DFN Project SEARCH can have with the sector to achieve this, working closely with peers, local authorities and education providers wherever possible.

In September 2022, DFN Project SEARCH were delighted to be awarded a contract from the Department for Education (DfE), as part of a consortium working in partnership with the National Development Team for Inclusion (NDTi) and the British Association of Supported Employment (BASE).

The objective is to double the number of supported internships to 4,500 per year in England by March 2025. We see this as a testament to our collaborative, results driven work. We continue to support DFN Project SEARCH in their role within this partnership, called Internships Work, to lead on employment engagement, providing support and training to local authorities and creating over 800 Employer Champions in that timeframe. It is an honour to work alongside partners with such high levels of excellence and compassion.

3 - To improve survival rates of myeloma patients and advance cures through the strategic funding of high quality research.

The Jacquelin Forbes-Nixon Research Fellowship provides essential support for Dr Kaiser as Chief Investigator of the OPTIMUM (MUKnine) trial and his team's research on the molecular structure of high-risk myeloma. The following milestones were achieved since the last update:

We are delighted to report that the OPTIMUM trial has continued despite ongoing challenges for the NHS by COVID-19.

Individual COVID-19 infection risk remained a concern for OPTIMUM participants, who are deeply immunosuppressed because of the trial treatment. Therefore, the team performed a dedicated analysis on vaccine responses, demonstrating a sufficient immune response after 4-5 doses of vaccine with OPTIMUM trial therapy. This is a highly reassuring finding and supports the treatment of future patients with the OPTIMUM protocol. These findings are being written up and will be submitted for publication.

The OPTIMUM trial has successfully met its primary endpoint of improved progression-free survival over standard-of-care therapy. The team are now conducting further follow-up to investigate a potential overall survival improvement. A first interim analysis is showing promising results. An overall survival improvement over standard care will provide critical evidence for access and policy work being taken forward by Myeloma UK.

Results of the successful primary endpoint analysis were presented at the EHA and ASH meetings in 2021 and led to multiple speaker invites at international conferences such as the 2022 International Myeloma Society Workshop.

Updated overall survival results were selected for oral presentation at the ASH annual meeting in December 2022.

Positive results from the trial are now providing an increasingly solid evidence base for Myeloma UK and other partners to strengthen advocacy and policy efforts regarding better access to diagnostics and treatment for high-risk myeloma patients.

We are delighted to report that the team have continued work on making innovative molecular diagnostics more widely accessible for patients treated in the UK and elsewhere:

- They have extended international collaborations on molecular diagnostics. As an oral abstract, we will present one of the most extensive analyses on high-risk myeloma at the ASH annual meeting in December 2022.
- They continue work making gene expression risk profiling practically accessible in the UK via the diagnostic lab at the RMH.

DAVID FORBES-NIXON CHARITABLE FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

- In-depth analysis of molecular features of high-risk myeloma from OPTIMUM using Whole Genome Sequencing and Long-Range Sequencing is ongoing. DNA samples from a larger group of OPTIMUM patients, including some matched presentation-relapse tumour pairs, are undergoing Oxford Nanopore Long Range sequencing. This is anticipated to be one of the first and most extensive datasets of its kind for multiple myeloma and allow an in-depth view of the molecular structure, particularly structural aberrations, the most frequent and still incompletely characterised type of mutation in myeloma and other cancers.
- Investigations of the immune profiles of patients at trial entry and throughout therapy by multi-parametric flow cytometry through leveraged funding for an MD student are ongoing.

4 - To ensure survival of the British butterfly.

We were proud to sponsor The Big Butterfly Count for the third consecutive year. The Big Butterfly Count is a citizen science survey that takes place annually in the UK. It is organised by Butterfly Conservation, a wildlife charity that focuses on butterflies and moths.

The survey is conducted for three weeks during the summer, and it is the world's largest survey of butterflies. The primary objective of the survey is to raise awareness about the importance of butterflies and day-flying moths and to encourage people to participate in their conservation. The survey also helps scientists understand how climate change is affecting butterflies.

The 2022 Big Butterfly Count took place from 15 July – 7 August (although sightings were submitted from 1 July - 31 August 2022). Overall, the trend for butterflies across the UK remains a declining one, with the results of the Big Butterfly Count 2022 showing an average of just under 9 butterflies seen per count, which is once again an all-time low in the thirteen years since the citizen science project began. Species that saw a worrying decline from last year include some well-known favourites, such as Red Admiral, Small White and Meadow Brown.

Statistics from the 2022 Big Butterfly Count include:

- Total number of BBC participants - 64,760
- Total number of BBC counts undertaken - 96,257
- Total number of BBC participants (unique email addresses) - 33,449
- Both participation and counts submitted were down on 2021
- The greatest daily number of counts – 7,709 - were done on Saturday 16th July

The support of the DFN Foundation enabled extensive reach of Big Butterfly Count 2022:

No. of pieces of coverage - 1657
AVE £2,615,829
Reach 9,726,189,023
Circulation 343,261,495

Demonstrating public benefit

The Trustees are aware of the Charity Commission guidance on Charity and Public Benefit and confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to it. The Trustees consider that the information contained within the Trustees' Report about the Charity's aims, activities and achievements in the four key areas of education, employability, healthcare and conservation demonstrates the benefit to the public.

The Trustees review the purpose, aims and activities of the Charity periodically.

When carrying out the review and planning future activities, the Trustees refer to the guidance contained in the Charity Commission's general guidance on public benefit. In particular the Trustees consider how planned activities will contribute to the aims and objectives they have set.

DAVID FORBES-NIXON CHARITABLE FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Grant making policy

The DFN Foundation considers the making of grants to other organisations and institutions as part of, or to complement, its commitment to deliver its charitable objects for the public benefit. The DFN Foundation's approach to grant making is based on research by the Trustees to carefully select partner organisations and institutions which the DFN Foundation can work with to achieve its charitable objectives. It is not the intention of the DFN Foundation to invite unsolicited applications from other organisations for grant funding.

Financial review

The Trustees wish to express their thanks to all staff, partners and colleagues who have worked hard in support of the charitable objectives of the DFN Foundation in a year characterised by the continued presence of COVID-19 and the restrictions imposed to combat the spread of the virus.

Against this backdrop the Statement of Financial Activities reports income of £419,158 (2021 £407,193) and total expenditure of £653,749 (2021 £1,174,674) which, after adjusting for unrealised gains on investments and other costs associated with foreign current exchange differences, resulted in a net outflow of resources of £1,360,526 (2021 net inflow of resources of £1,782,717) with a fund balance at the year end of £20,440,915 (2021 £21,801,441). The main areas of charitable activity are:

Education:

DFN MoveForward

DFN MoveForward is an employability programme built on the tried and tested work of ThinkForward, helping young people with mild to moderate learning disabilities with the aim of supporting them into sustainable paid employment.

The programme is delivered by ThinkForward. This is an innovative education based employability skills strategy that supports students with special needs, providing individualised coaching and, creating ready for work opportunities whilst promoting greater employee awareness and engagement.

Acting as lead commissioner, with match funding from the government's Life Chances Fund, and operating through a Social Impact Bond, the DFN Foundation committed up to £1 million to fund the programme over the period to March 2024. The delivery of the programme was later reviewed following the disruption of the COVID-19 pandemic. Having undertaken appropriate verification tests, the Trustees authorised the release of funds on the basis of the results on the revised (Covid Impact) basis.

As set out in note 8 these accounts include a provision of £170,800 (2021 £209,060) to meet its financial obligation on the basis of the reported results.

Undershaw Education Trust

Undershaw Education Trust; a UK registered charity (No. 1039622). The original investment in the property in 2016 totalled £6,622,912. The DFN Foundation remains committed to creating a school that is inclusive and where the best interests of the child are at the heart of everything.

Under the terms of the ten year lease which commenced in September 2019, rental income of £112,016 (2021 £94,381) was received, of which £12,016 (2021 £14,381) was expended in insuring the property. The level of rent charged is considered below market rate in accordance with the Foundation's continued commitment to the school.

As set out in note 32 the Trustees are clear that the receipt of investment income from the property is of secondary importance to the furtherance of the benefit derived by the DFN Foundation's beneficiaries through the provision of the enhanced school building and facilities.

DAVID FORBES-NIXON CHARITABLE FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Employability:

- Influencing the National Debate

The DFN Foundation supported the work of the Centre for Social Justice (CSJ) Disability Commission to secure a step change in the opportunities available to disabled people, especially in employment, to live their lives fully and as they want to. The CSJ Disability Commission published a report "Now is the Time" in March 2021. David Forbes-Nixon was appointed Commission Deputy Chair of the body which was responsible for the production of the report.

Through this work with the CSJ, the DFN Foundation made a further contribution of £20,000 (2021 £46,850) to promote the work of the Disability Commission.

During 2022 the DFN Foundation also contributed £20,500 to Anthropy Limited and sponsored the 2022 Anthropy event. The Anthropy gathering includes emerging and established leaders from a variety of backgrounds, designed to tackle the UK's biggest economic and social challenges. The 2022 event was attended by the Trustees and CEO and posed a great launchpad for driving the Foundation's employability objectives.

- DFN Project SEARCH

DFN Project SEARCH (Charity Reg No. 1183834 England and Wales and Charity Reg SC049891 Scotland) was assigned the Project SEARCH master franchise in September 2019. Prior to that date the operations of Project SEARCH were administered as a restricted fund of the DFN Foundation.

The Trustees are pleased that DFN Project SEARCH has successfully developed and expanded the Project SEARCH programme whilst overcoming the challenges imposed by the COVID-19 pandemic.

The strategic plan developed in 2020 for DFN Project SEARCH, which is ambitious in terms of the number of young people obtaining sustained employment (target to exceed 10,000 by 2030) and progressive in the development and focused delivery of future sites. It has grown its reach considerably despite the challenges a global pandemic presented. It is expected that 155 sites will be open by September 2023. Having recently expanded the operations team, DFN Project SEARCH hopes to open around 65 sites per year to achieve the target of 10,000 full time jobs by 2030.

DFN Project SEARCH is currently undertaking a contract with the Department for Education to double the number of supported interns across England, from 2,250 to 4,500 a year by March 2025.

DFN Project SEARCH are in the process of drafting the next multi-year strategic plan. In reviewing this, and considering other current and future projects, the Trustees are considering supporting the recommendation to earmark funds approaching approximately £1,000,000 in future support for DFN Project SEARCH over the remainder of this plan. Financial support would remain dependent on a satisfactory periodic review of progress as measured against exacting key performance indicators. Further discussions are to be held following the finalisation of the DFN Project SEARCH strategic plan in late 2023.

Grants payable (note 9) reports no donations to DFN Project SEARCH in 2022 (2021 £500,000).

Healthcare:

- Myeloma UK

The DFN Foundation supports Myeloma UK (Charity Reg No. SC026116) through the establishment of the Jacqueline Forbes Nixon research fellowship. This entailed a commitment of £1,000,000 with an agreed timetable for payments. Following changes to the original payment schedule arising partly from the COVID-19 pandemic, the calculation of the funding commitment was revised.

As set out in note 24, the remaining funding commitment to Myeloma UK is £200,247 (2021 £395,445) which is expected to be utilised by the end of 2023.

DAVID FORBES-NIXON CHARITABLE FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Conservation:

- Big Butterfly Count

The DFN Foundation was the co-sponsor of the Big Butterfly Count in July 2021, the world's biggest survey of butterflies, with over 107,000 participants taking part and over 150,000 counts. 2022 represented the final year of a three year commitment of £50,000.

Other Income and Raising Funds

Against the backdrop of the impact of COVID-19 on financial markets, and as set out in note 5 the Board noted income from investments of £158,404 (2021 £185,348), which has been utilised in the funding of the charitable activities.

Following the appointment of Claire Cookson as CEO of DFN Project SEARCH, the DFN Foundation recharged employment costs reflecting the time that the CEO devoted to DFN Project SEARCH of £128,738 (2021 £116,254) as set out in note 6.

Of the costs relating to raising funds £47,471 (2021 £44,559) represents fees paid to Royal Bank of Canada for their management of part of the investment portfolio as set out in note 7.

Use of Resources

It remains the intention of the Trustees to maintain unrestricted reserves, held primarily within a portfolio of investments, not only as a core fund as detailed in the investment policy but to provide resources which can be called upon as the Trustees explore how best to move the DFN Foundation forward, working with other organisations as necessary towards fulfilling its long term charitable goals.

At the balance sheet date the DFN Foundation held funds of £20,440,915 (2021 £21,802,441). Of this £227,663 (2021 £398,463) represents the balance of the restricted funds held. In addition £200,247 (2021 £534,060) of funds are set aside by in respect of commitments made for Myeloma UK; details of both restricted and designated funds are set out in notes 29 and 30.

The investment in Undershaw School after the application of depreciation stands at £6,744,854 (2021 £6,761,309) at the balance sheet date.

To satisfy themselves that sufficient free reserves are in hand to meet all expenditure and commitments as they fall due, the Trustees regularly review the resources that have been committed or earmarked over the medium term. In addition, in assessing future projects and the resources which may be absorbed the Trustees also maintain a review of income that may be expected to arise (with a reasonable degree of certainty) over the same period. In this respect the Trustees again acknowledge with gratitude the potential for a future income stream made available to the DFN Foundation by the Executive Chair as set out in note 26.

As noted above the Board has earmarked funds to support DFN Project SEARCH over the medium term of a sum approaching £1,000,000.

The Trustees note that free reserves (after having regarded all sums already committed or earmarked for future projects) total a sum of £4,500,000 inclusive of readily realisable investments and cash reserves. The Board is satisfied that the level of free cash reserves (in cash or readily realisable investments) remains prudent for the DFN Foundation given the continuing economic uncertainties.

The Board also wish to again express their appreciation to those who have provided administration support to the Foundation on a voluntary basis. Due to the flexible nature of the hours worked and the tasks performed the Board consider that the value of the support provided by the volunteer cannot be measured reliably. The Foundation's accounts do not therefore reflect a value for donated administration services.

DAVID FORBES-NIXON CHARITABLE FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Investment Policy

It remains the policy of the Board to invest funds not immediately required for ongoing projects (and to fund the commitments detailed in notes 29 and 30 through income generation and capital growth) within a portfolio of investments. Investments are made to maintain sufficient liquidity to meet the aforementioned commitments as they fall due.

In the selection of investments the Board draw on their collective experience and knowledge of the financial markets to provide the balance of good quality income generation and capital growth without geographical, currency or section restriction. It remains the Board's objective, over the medium to long term, to build on the existing portfolio to create a core fund capable of delivering good quality investment returns and growth to fund existing and future charitable projects.

At the year-end, after the generation of investment income (other than rental income) of £158,404 (2021 £185,348) and having incurred net realised and unrealised losses of £1,123,180 (2021 gains of £2,562,045) the Foundation held investment funds valued in total at £13,433,688 (2021 £14,469,259). Further breakdown is included within note 18.

The Board considers the performance of the funds to be satisfactory given the market conditions at the end of the financial year. It is expected that the unlisted investments will perform well in 2023 amongst market uncertainty. Several funds have already made promising gains in early 2023 and the Board have confidence in the balance of the investment portfolio.

Risk Management

The DFN Foundation's risk management policy is based around an overarching risk management register. The register identifies the key risks that the organisation is, or potentially could be, exposed to, and establishes a practical risk assessment process and the operational mitigation tasks that emanate from it. Responsibility for each class of risk is reflected within the register.

The Trustees and CEO regularly review the register to address any changes in the likelihood and impact of each risk and risk mitigation measures are considered. The register is updated periodically to reflect new and changing risks.

The key risks that currently face the DFN Foundation and principal mitigating strategies are:

- Safeguarding failure or adverse regulator opinion. The Trustees keep quality at the forefront of its strategy.
- Maintaining investment performance to deliver on the investment objective. The Board collectively has significant experience of the financial markets (as detailed below) to ensure informed judgements are made in the selection and management of the portfolio.
- David Forbes-Nixon has over 30 years' experience in financial markets and has recently retired as Chairman and Chief Executive at Alcentra, a large Asset Manager (circa US\$34 billion) in the sub-investment grade credit space.
- James Dickson has over 23 years' experience as an investment manager.
- The day to day management of the ongoing projects is undertaken by the CEO (and advisors as necessary) whilst overseen by the Executive Chair. The Board remains of the view that this hands on approach serves to identify and respond to any issues that may arise as projects progress. In addition the close involvement of the CEO and oversight by the Executive Chair enables them to be fully apprised of any events which might give rise to unwelcome attention and hence reputational risks.

DAVID FORBES-NIXON CHARITABLE FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

- Selection of projects to deliver the charitable objectives. The agreed criteria by which the Board judge future projects is set out below, aided by the setting of clear objectives with all partner organisations and monitoring and reporting progress against such agreed criteria. This underlines the Board's established approach in the careful selection of advisors and partners with appropriate experience and a proven track record within their specialist sectors.

The approach of the Board in the selection of projects to provide the most positive impact for the beneficiaries is to address the following key questions:

- How many people will benefit and by how much?
- Is this the most effective thing that we can do?
- Is this area neglected?
- What would happen if we were to do nothing?
- What are our chances of success and how good will our success be?

Diversity

Respecting diversity is one of the DFN Foundation's key values and we are committed to being an inclusive organisation where diversity is welcomed and valued. The DFN Foundation, through its support for relevant organisations, strives to promote a culture where people treat each other with mutual respect regardless of age, disability, gender, marital or civil partnership status, pregnancy and maternity, gender reassignment, race, religion and belief or sexual orientation.

Structure, governance and management

The Charity is a company limited by guarantee, incorporated on 21 February 2014 and registered as a charity on 24 February 2014. The company was established under a Memorandum of Association which established the objects and powers of the Charitable Company and is governed under its Articles of Association.

The Board of Trustees is responsible for the overall governance of the Charity and meets as a Board at least three times a year. The Trustees, who are also directors for the purposes of company law, and who have served since the end of the previous year are:

Mr D Forbes-Nixon	
Mr J Dickson	
Mr S N Konsta	
Mr E W Low	
Mr N O Stromsoy	(Resigned 1 November 2022)
Mrs T L Scott	(Resigned 20 October 2022)
Mr H Forbes-Nixon	(Appointed 1 September 2023)

The number of Trustees shall not be less than two.

None of the Trustees receive remuneration or other benefit from their work for the Charity. Expenses incurred by the Trustees in the performance of their duties are reimbursed. None of the Trustees has any beneficial interest in the company. All the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

DAVID FORBES-NIXON CHARITABLE FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

The Board of Trustees administers the Charity. In doing so the Trustees have delegated the day-to-day administration of the Charity to the Executive Chair, Mr David Forbes-Nixon. Trustees receive regular reports on the progress of the projects in hand and meet (formally as noted above and via telephone/ virtual meetings) to discuss progress, future projects and to approve current and future expenditure and the funding thereof.

As described above the Charity is working in partnership with an existing school, Undershaw Education Trust in Hindhead (Registered Charity number 1039622), in pursuance of the educational objective. David Forbes-Nixon is a Trustee of Undershaw Education Trust until 13th December 2022. The CEO of the DFN Foundation, Claire Cookson, is a Trustee of Undershaw Education Trust.

Trustee Selection and Induction

The Trustees regularly review the composition of the Board and its various sub-committees. When a vacancy arises the Trustees look at the blend of experience and skills of Trustees to ensure that these meet the needs of the Charity; and instigate a recruitment process if required. This will involve advertising both locally and nationally as well as more informal approaches to individuals who have the relevant skills and experience.

All new Trustees are invited to attend induction training with the Chair and CEO. New Trustees are briefed on their legal obligations under charity and company law, on their role and responsibilities as Trustees, the Charity Commission guidance on public benefit, the content of the governing document, the decision making process, the business plans and recent financial performance of the Charity.

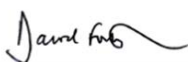
Auditor

Dixon Wilson Audit Services LLP were appointed as auditor to the charitable company and a resolution proposing that they be re-appointed will be put at a General Meeting.

Disclosure of Information to Auditor

The Trustees who were in office on the date of the approval of these financial statements, having made reasonable enquiry, have collectively confirmed that, as far as they are aware, there is no relevant audit information undisclosed to the company's auditor and that they have taken the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

This Report was approved by the Board of Trustees and signed on its behalf by:



.....
Mr D Forbes-Nixon
Chairman

Date: 22nd September 2023

DAVID FORBES-NIXON CHARITABLE FOUNDATION

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees, who are also the directors of David Forbes-Nixon Charitable Foundation for the purpose of company law, are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial 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 year.

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 accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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 charity 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.

DAVID FORBES-NIXON CHARITABLE FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF DAVID FORBES-NIXON CHARITABLE FOUNDATION

Opinion

We have audited the financial statements of David Forbes-Nixon Charitable Foundation (the 'charitable company') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows 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 2022 and of its incoming resources and application of resources, 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 Charities Act 2011.

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 charitable company 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

DAVID FORBES-NIXON CHARITABLE FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DAVID FORBES-NIXON CHARITABLE FOUNDATION

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees (who are also 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We gained an understanding of the legal and regulatory framework applicable to the charitable company by considering, amongst other things, the sector in which it operates, and considered the risk of acts by the charitable company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, but recognised that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focused on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Charities Act 2011 and the Companies Act 2006.

Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of third parties.

As in all our audits, we also addressed the risk management override internal controls, including testing journals and evaluating whether there was any evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud.

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

DAVID FORBES-NIXON CHARITABLE FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DAVID FORBES-NIXON CHARITABLE FOUNDATION

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Dixon Wilson Audit Services LLP

22 September 2023

Dixon Wilson Audit Services LLP

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Chartered Accountants

Statutory Auditor

22 Chancery Lane
London
WC2A 1LS

Dixon Wilson Audit Services LLP is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

DAVID FORBES-NIXON CHARITABLE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

Current financial year

		Unrestricted funds	Restricted funds	Total	Total
		2022	2022	2022	(As restated) 2021
	Notes	£	£	£	£
<u>Income from:</u>					
Donations	3	20,000	-	20,000	2,500
Charitable activities	4	-	-	-	3,000
Income from investments	5	270,420	-	270,420	279,729
Other incoming resources	6	128,738	-	128,738	121,964
Total income		419,158	-	419,158	407,193
<u>Expenditure on:</u>					
Raising funds	7	47,471	-	47,471	44,706
Charitable activities	8	435,478	170,800	606,278	1,129,968
Total resources expended		482,949	170,800	653,749	1,174,674
Net gains/(losses) on investments	15	(1,123,280)	-	(1,123,280)	2,562,045
Net (outgoing)/incoming resources		(1,187,071)	(170,800)	(1,357,871)	1,794,564
Other recognised gains and losses					
Other gains or (losses)	16	(2,655)	-	(2,655)	(11,847)
Net movement in funds		(1,189,726)	(170,800)	(1,360,526)	1,782,717
Fund balances at 1 January 2022		21,402,978	398,463	21,801,441	20,018,724
Fund balances at 31 December 2022		20,213,252	227,663	20,440,915	21,801,441

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

DAVID FORBES-NIXON CHARITABLE FOUNDATION

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

FOR THE YEAR ENDED 31 DECEMBER 2022

Prior financial year

		Unrestricted funds (As restated) 2021 £	Restricted funds (As restated) 2021 £	Total 2021 £
	Notes			
<u>Income and endowments from:</u>				
Donations	3	2,500	-	2,500
Charitable activities	4	3,000	-	3,000
Income from investments	5	279,729	-	279,729
Other incoming resources	6	121,964	-	121,964
Total income		407,193	-	407,193
<u>Expenditure on:</u>				
Raising funds	7	44,706	-	44,706
Charitable activities	8	920,908	209,060	1,129,968
Total resources expended		965,614	209,060	1,174,674
Net gains/(losses) on investments	15	2,562,045	-	2,562,045
Net (outgoing)/incoming resources		2,003,624	(209,060)	1,794,564
Other recognised gains and losses				
Other gains or losses	16	(11,847)	-	(11,847)
Net movement in funds		1,991,777	(209,060)	1,782,717
Fund balances at 1 January 2021		19,411,201	607,523	20,018,724
Fund balances at 31 December 2021		21,402,978	398,463	21,801,441

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

DAVID FORBES-NIXON CHARITABLE FOUNDATION

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Tangible assets	17		6,744,855		6,761,309
Investments	18		13,433,688		14,469,259
			<u>20,178,543</u>		<u>21,230,568</u>
Current assets					
Debtors	19	5,953		20,382	
Cash at bank and in hand		1,156,777		1,901,792	
		<u>1,162,730</u>		<u>1,922,174</u>	
Creditors: amounts falling due within one year	22	(872,927)		(1,212,686)	
Net current assets			<u>289,803</u>		<u>709,488</u>
Total assets less current liabilities			20,468,346		21,940,056
Creditors: amounts falling due after more than one year	23		(27,431)		(138,615)
Net assets			<u>20,440,915</u>		<u>21,801,441</u>
Income funds					
Restricted funds	29		227,663		398,463
<u>Unrestricted funds</u>					
Designated funds	30	200,247		534,060	
General unrestricted funds		20,013,005		20,868,918	
			<u>20,213,252</u>		<u>21,402,978</u>
			<u>20,440,915</u>		<u>21,801,441</u>

DAVID FORBES-NIXON CHARITABLE FOUNDATION

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2022

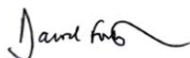
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 22nd September 2023.



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Mr D Forbes-Nixon
Executive Chair

Company Registration No. 08906571

DAVID FORBES-NIXON CHARITABLE FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash absorbed by operations	36		(922,548)		(659,425)
Investing activities					
Purchase of investments		(1,669,991)		(1,218,906)	
Proceeds from disposal of investments		1,579,759		1,771,412	
Investment income received		270,420		279,729	
		<u> </u>		<u> </u>	
Net cash generated from investing activities			180,188		832,235
Net cash used in financing activities			<u> </u>		<u> </u>
			-		-
Net (decrease)/increase in cash and cash equivalents			(742,360)		172,810
Cash and cash equivalents at beginning of year			1,901,792		1,739,076
Effect of foreign exchange rates			(2,655)		(10,094)
			<u> </u>		<u> </u>
Cash and cash equivalents at end of year			<u>1,156,777</u>		<u>1,901,792</u>

DAVID FORBES-NIXON CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

David Forbes-Nixon Charitable Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is 10 Norwich Street, London, EC4A 1BD.

In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in pounds sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Prior period error

Foreign exchange gains/losses relating to investments have been reclassified from "Other gains or losses" to "Net gains/(losses) on investments". Please see note 35 for full details.

1.3 Going concern

At the time of approving the financial statements, the Trustees had a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the Financial Statements.

1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used or by the terms or nature of the appeal under which the funds were raised. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.5 Incoming resources

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

DAVID FORBES-NIXON CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Where the DFN Foundation has entered into a contract for the supply of services over a period exceeding one year, income received at the commencement of the contract is recognised within the accounts on a time apportioned basis associated with the expected delivery of that service over the life of the contract.

Income arising from investments is generally recognised on receipt. As set out in note 26, a potential income stream (termed carried interest income) has been made available to the DFN Foundation by the Executive Chair arising from the inclusion of the DFN Foundation within the profit share arrangement for a number of investments to which the Executive Chair is a party.

Carried interest income is recognised once the receipt of funds is probable and a reasonable estimate of the amount can be made. This will not be before the time the underlying fund has realised sufficient returns to exceed its hurdle rate. Before income is recognised, that is before receipt of funds is probable and a reasonable estimate of the amount can be made, the Trustees' best estimate of the amount and timing of future carried interest income is disclosed as a contingent asset.

1.6 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its charitable activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs are associated with meeting the constitutional and statutory arrangements of the Charity, including external audit and the cost of preparing statutory accounts, the cost of Trustees' meetings and other costs involved with the Charity's strategic management.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Wherever possible, costs relating to a particular activity are allocated directly; others are apportioned on the basis of the ratio of resources expended in respect of each charitable activity.

Irrecoverable VAT is included with the item of expenditure to which it relates.

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	Not depreciated
Hydro therapy pool	5% straight line
Furniture and equipment	25% reducing balance method
IT equipment	3 year straight line method
Charity website	3 year straight line method

No depreciation is provided in respect of freehold land and buildings. Please see note 2 for the Trustees' comments.

DAVID FORBES-NIXON CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.9 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

1.10 Cash and cash equivalents

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

1.11 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

DAVID FORBES-NIXON CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.12 Employee benefits

Where material the cost of any unused holiday entitlement is recognised in the period in which the employees' services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

The DFN Foundation offers a defined contribution pension scheme for employees whereby the assets of the scheme are held separately within an independently administered fund.

Payments to an employee's personal pension plan can also be made at the Trustees' discretion.

Payments to the defined contribution pension scheme and an employee's personal pension are charged as an expense as they fall due.

1.14 Leases

Rentals payable under operating leases are charged to income on a straight line basis over the term of the relevant lease.

1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure) for the period.

1.16 Activity basis allocation

Support costs are those costs incurred in support of the charitable activities. Where appropriate these costs are allocated directly to the activity concerned. Other costs are allocated between each activity in proportion to the direct expenditure incurred under each activity heading.

1.17 Mixed motive investments

The DFN Foundation has invested in the purchase and development of Undershaw to support the expansion of Undershaw Education Trust in Hindhead by the provision of accommodation to meet the growing demand for places at this special needs school. At the completion of the development work the DFN Foundation entered into a lease with Undershaw Education Trust for which a concessionary level of rent was agreed.

The DFN Foundation recognised the mixed motive nature of its investment (as defined within SORP FRS 102) which is carried at historical cost subject to the application of depreciation and periodic impairment reviews.

DAVID FORBES-NIXON CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

2 Critical accounting estimates and judgements

Critical judgements

Undershaw

The Board considers that the evaluation of useful economic life for the Undershaw property and the application of depreciation to be the area of judgement with a significant effect on the financial statements.

The Board consider that the comprehensive maintenance programme in place for Undershaw property will maintain the property in very good order, and on this basis judge that the residual value at the end of the expected useful life of the property will be no less than the carrying value. On this basis no depreciation is applied for the freehold property.

Judgement is applied in evaluating the useful life of each asset. This is based on either the maintenance and servicing programme or the period of obsolescence, and on the expectation that each asset will warrant replacement or substantial refurbishment at the end of its useful life.

Impairment of Fixed Assets

In addressing the impairment of the Undershaw property the Board considered the value in use of the property. The Board judge that the property meets its intended service potential at the balance sheet date and are not aware of any matters that will diminish this in the foreseeable future. On this basis the value in use is judged to be not less than the construction cost.

Critical Estimates

Funding Commitments

The Board have projected the future value of the funding commitments based on the average return of investment rate and projected cash payments. These estimates are based on market conditions and the resources committed which are subject to change annually. Due to the volatility of the market and uncertainty over the timing of future payments, the future movement is uncertain. The Board therefore provide their best estimate at the year end. Further details on the calculation of funding commitments are provided in note 24.

Contingent Assets

The contingent asset disclosed within note 26 is based on a number of critical estimates. However the estimated value of the contingent asset is not included within the carrying amount of assets and liabilities due to its uncertain amount and probability. Future cash inflows will be recognised in the Financial Statements when they are considered probable and can be reliably measured. Further information on the contingent asset is contained within note 26 of the Financial Statements.

Unlisted Investments

There are critical estimates within the reporting of unlisted investments in note 18. The value of unlisted investments is based on the net asset value as provided by the fund manager. The net asset value determines the unrealised gain or loss on the investment at the year end in addition to the asset carrying amount on the Balance Sheet. The unlisted investments are not traded on a public market and therefore there is a degree of judgement in the net asset value by the fund manager.

3 Donations

	2022	2021
	£	£
Donations	20,000	2,500
	<u> </u>	<u> </u>

DAVID FORBES-NIXON CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

4 Charitable activities

	2022	2021
	£	£
Other education services provided	-	3,000
	<u> </u>	<u> </u>

5 Income from investments

	2022	2021
	£	£
Rental income	112,016	94,381
Income from listed investments	56,571	40,751
Income from unlisted investments	87,411	138,118
Other income from unlisted investments	12,701	6,314
Interest receivable	1,721	165
	<u> </u>	<u> </u>
	270,420	279,729
	<u> </u>	<u> </u>

6 Other incoming resources

	2022	2021
	£	£
Expenditure recharged to DFN Project SEARCH for office facilities	-	5,710
Expenditure recharged to DFN Project SEARCH for the services of the CEO	128,738	116,254
	<u> </u>	<u> </u>
	128,738	121,964
	<u> </u>	<u> </u>

The DFN Foundation raise a quarterly invoice at cost for the time that the CEO devotes to DFN Project SEARCH, as set out above.

7 Raising funds

	2022	2021
	£	£
Fundraising and publicity		
Fundraising costs	-	147
	<u> </u>	<u> </u>
Investment management fees	47,471	44,559
	<u> </u>	<u> </u>
	47,471	44,706
	<u> </u>	<u> </u>

DAVID FORBES-NIXON CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

8 Charitable activities	Education and Employability	Healthcare	Total	Education and Employability	Healthcare	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Employability Project						
Employability Project funding	15,486	-	15,486	17,500	-	17,500
PR Campaign for 'Now Is The Time'	-	-	-	29,350	-	29,350
DFN MoveForward						
MoveForward funding	170,800	-	170,800	209,060	-	209,060
	<u>186,286</u>	<u>-</u>	<u>186,286</u>	<u>255,910</u>	<u>-</u>	<u>255,910</u>
Grant funding of activities (note 9)	110,833	26,703	137,536	493,000	41,592	534,592
Share of support costs (note 11)	208,180	14,888	223,068	242,614	10,923	253,537
Share of governance costs (note 11)	54,556	4,832	59,388	81,408	4,521	85,929
	<u>559,855</u>	<u>46,423</u>	<u>606,278</u>	<u>1,072,932</u>	<u>57,036</u>	<u>1,129,968</u>
Analysis by fund						
Unrestricted funds	389,055	46,423	435,478	863,872	57,036	920,908
Restricted funds	170,800	-	170,800	209,060	-	209,060
	<u>559,855</u>	<u>46,423</u>	<u>606,278</u>	<u>1,072,932</u>	<u>57,036</u>	<u>1,129,968</u>
9 Grants payable						
	Education and Employability	Healthcare	Total	Education and Employability	Healthcare	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Grants to institutions:						
Himalayan Youth Foundation	3,000	-	3,000	(7,000)	-	(7,000)
Myeloma UK	-	26,703	26,703	-	41,592	41,592
Centre for Social Justice	20,000	-	20,000	-	-	-
DFN Project SEARCH	-	-	-	500,000	-	500,000
Undershaw Education Trust	58,741	-	58,741	-	-	-
Phoenix Youth Club	20,000	-	20,000	-	-	-
Clifton College Development Trust	9,092	-	9,092	-	-	-
	<u>110,833</u>	<u>26,703</u>	<u>137,536</u>	<u>493,000</u>	<u>41,592</u>	<u>534,592</u>

DAVID FORBES-NIXON CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

10 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year. Trustees were reimbursed a total of £606 (2021 - £267) for expenses incurred throughout the year for various meetings with trustees, management and future business partnerships. No payments were made for LinkedIn licences for Trustees in support of their charitable work (2021 - £505 for one trustee). The DFN Foundation did not provide any trivial gifts to the Trustees (2021 - £338).

11 Support costs

	Support costs	Governance costs	2022	2021	Basis of allocation
	£	£	£	£	
Staff costs	155,923	-	155,923	145,318	Resources expended
Depreciation	16,454	-	16,454	20,757	Direct allocation
Property costs	12,571	-	12,571	14,530	Direct allocation
Website hosting	76	-	76	1,353	Resources expended
Administration costs	11,588	-	11,588	21,993	Resources expended
Education consultancy	11,059	-	11,059	2,543	Direct allocation
Public Relations	15,397	-	15,397	39,923	Resources expended
Office rent	-	-	-	7,120	Direct allocation
Audit fees	-	17,396	17,396	17,677	Resources expended
Legal and professional fees	-	22,321	22,321	45,344	Resources expended
Trustees' expenses	-	606	606	267	Resources expended
Management expenses	-	18,206	18,206	21,330	Resources expended
Bank charges	-	59	59	186	Resources expended
Board expenses	-	800	800	1,125	Resources expended
	<u>223,068</u>	<u>59,388</u>	<u>282,456</u>	<u>339,466</u>	
Analysed between					
Charitable activities	<u>223,068</u>	<u>59,388</u>	<u>282,456</u>	<u>339,466</u>	

The DFN Foundation initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the charitable activities undertaken in the year.

Where possible support and governance costs are allocated directly to the relevant charitable activity. Remaining costs are allocated on the basis of the ratio of resources expended between the charitable activities.

As set out in note 6 above the DFN Foundation raised quarterly invoices (at cost) for support costs utilised by DFN Project SEARCH.

DAVID FORBES-NIXON CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

12 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	2022 £	2021 £
Audit of the annual accounts	17,396	17,677

13 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

14 Employees

Number of employees

The average monthly number of employees over the course of the year were:-

	2022 Number	2021 Number
Management	1	1

Employment costs

	2022 £	2021 £
Wages and salaries	123,756	105,546
Social security costs	11,540	9,272
Other pension costs	20,627	30,500
	155,923	145,318

The number of employees whose annual remuneration was £60,000 or more were:

	2022 Number	2021 Number
£100,000 - £109,999	-	1
£120,000 - £129,999	1	-

Contributions totalling £20,627 (2021 - £30,500) were made to defined contribution pension schemes on behalf of employees whose emoluments exceed £60,000.

The CEO received total remuneration of £155,923 (2021 - £145,318) for the year to 31 December 2022.

The DFN Foundation shares a joint CEO with DFN Project SEARCH. During the year the DFN Foundation raised quarterly invoices for the time that the CEO had devoted to DFN Project SEARCH. The CEO's employment costs recharged to DFN Project SEARCH amounted to £124,738 (2021 - £116,254) for the year.

DAVID FORBES-NIXON CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

15 Net gains/(losses) on investments

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Revaluation of investments	(1,343,090)	2,272,464
Gain/(loss) on sale of investments	288,288	253,298
Foreign exchange gains / (losses) on investments	(68,478)	36,283
	<u>(1,123,280)</u>	<u>2,562,045</u>

16 Other gains or losses

	2022	2021
	£	£
Foreign exchange gains / (losses)	(2,655)	(11,847)
	<u>(2,655)</u>	<u>(11,847)</u>

Foreign exchange losses comprises of £2,655 (2021 - loss of £11,847) relating to foreign exchange gains on realised currency losses and exchange rate differences.

DAVID FORBES-NIXON CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

17 Tangible fixed assets

	Land and buildings £	Hydro therapy pool £	Furniture and equipment £	IT equipment £	Charity website £	Total £
Cost						
At 1 January 2022	6,622,912	148,161	190,657	112,192	1,500	7,075,422
At 31 December 2022	6,622,912	148,161	190,657	112,192	1,500	7,075,422
Depreciation and impairment						
At 1 January 2022	-	44,448	156,473	112,192	1,000	314,113
Depreciation charged in the year	-	7,408	8,546	-	500	16,454
At 31 December 2022	-	51,856	165,019	112,192	1,500	330,567
Carrying amount						
At 31 December 2022	6,622,912	96,305	25,638	-	-	6,744,855
At 31 December 2021	6,622,912	103,713	34,184	-	500	6,761,309

DAVID FORBES-NIXON CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

17 Tangible fixed assets (Continued)

The carrying value of land included in land and buildings comprises:

	2022 £	2021 £
Freehold	300,000	300,000

The purchase and renovation of the main Undershaw property, through which the DFN Foundation is delivering on part of its educational charitable objective is termed a mixed motive investment within the SORP FRS 102 as set out in note 20.

18 Fixed asset investments

	Listed investments £	Unlisted investments £	Total £
Cost or valuation			
At 1 January 2022	5,286,731	9,182,528	14,469,259
Additions	1,588,917	81,074	1,669,991
Valuation changes	(1,141,058)	(273,033)	(1,414,091)
Realised gains/ (losses) on disposal	288,288	-	288,288
Disposals	(1,579,759)	-	(1,579,759)
At 31 December 2022	4,443,119	8,990,569	13,433,688
Carrying amount			
At 31 December 2022	4,443,119	8,990,569	13,433,688
At 31 December 2021	5,286,731	9,182,528	14,469,259

Held within listed investments is a cash balance of £68,832 (2021 - £15,677) for investment purposes within an investment portfolio.

	2022 £	2021 £
Other investments comprise:		
Investments in subsidiaries	34	1
	1	1
Investments at fair value comprise:		
Unlisted Investments	8,990,569	9,182,528
Listed Investments	4,443,119	5,286,731
	13,433,688	14,469,259

DAVID FORBES-NIXON CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

18 Fixed asset investments

(Continued)

Fixed asset investments revalued

The investments held for long term capital growth and income growth potential are valued at the balance sheet date at fair value on the basis of:

Listed investments: - year end market valuation

Unlisted investments: - underlying net assets as valued by the fund manager

19 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	-	2,500
Other debtors	-	302
Prepayments and accrued income	5,953	17,580
	<u>5,953</u>	<u>20,382</u>

20 Mixed motive investments

	Freehold Property	
	2022	2021
	£	£
At 1 January 2022	6,322,912	6,322,912
At 31 December 2022	<u>6,322,912</u>	<u>6,322,912</u>

As noted in previous reports, in the summer of 2016 the Charity completed the development of Undershaw into a special purpose school to provide facilities to disabled children.

The property is held within fixed assets in accordance with Section 21.15 of the SORP. The carrying value of the social investment as at 31 December 2022 was £6,322,912.

The primary objective of this investment remains the furtherance of the Charity's objective to provide disabled students with access to educational provision improving access to employment, improved life skills and social communication.

The property continues to be leased to Undershaw Education Trust at a below market rate of rental, details of which are provided in note 33, and investment income from this property is considered of secondary importance to the furtherance of the Charity's objectives.

DAVID FORBES-NIXON CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

21	Financial instruments		2022	2021
			£	£
	Carrying amount of financial assets			
	Debt instruments measured at amortised cost		-	2,802
	Instruments measured at fair value through profit or loss		13,433,688	14,469,259
			<u> </u>	<u> </u>
	Carrying amount of financial liabilities			
	Measured at amortised cost		900,358	1,351,301
			<u> </u>	<u> </u>
22	Creditors: amounts falling due within one year		2022	2021
		Notes	£	£
	Other taxation and social security		16,375	26,032
	Deferred income	25	-	33,333
	Trade creditors		6,083	-
	Other creditors	24	216,437	453,778
	Accruals		634,032	699,543
			<u> </u>	<u> </u>
			872,927	1,212,686
			<u> </u>	<u> </u>
23	Creditors: amounts falling due after more than one year		2022	2021
			£	£
	Other creditors		27,431	138,615
			<u> </u>	<u> </u>

DAVID FORBES-NIXON CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

24 Funding commitments

Myeloma UK

In 2015 the DFN Foundation entered into a commitment to provide a grant to Myeloma UK (charity registered in Scotland - 026116) of £1,000,000 to fund a development programme focusing on research. An agreement was put in place including a timeline for the payment of the commitment. Myeloma UK raise invoices to the DFN Foundation periodically for the work completed on the research programme.

The ongoing commitment extending beyond the 12 months following the balance sheet date is calculated by the amortised cost method using an average return of investment rate calculated at 5% per annum.

Remaining cash payments of £207,177 (discounted value £178,967) are due to Myeloma UK and projected to be made in the year ending 31 December 2023.

At the year end the funding commitment to Myeloma UK due within one year is calculated as £200,247 (2021-£395,445) and shown within other creditors in note 22. The commitment due after one-year amounts to £nil (2021 - £138,615).

The DFN Foundation will continue to fund the commitment from current unrestricted cash reserves.

Undershaw Educational Consultant

In December 2022 the charity entered into a commitment to jointly fund the position of an educational consultant for Undershaw Education Trust. The commitment was to provide £15,000 per year for three years.

The ongoing commitment extending beyond the 12 months following the balance sheet date is calculated by the amortised cost method using an average return of investment rate calculated at 5% per annum. A charge of £41,530 has been recognised within the SOFA.

During the year the first instalment of £5,000 was paid in respect of the commitment. At the year end the funding commitment for the educational consultant due within one year is £14,286 and shown within other creditors in note 22. The commitment due after one-year amounts to £22,244.

Clifton College Development Trust

In February 2022 the charity entered into a commitment with Clifton College Development Trust to provide £2,000 annually for five years.

The ongoing commitment extending beyond the 12 months following the balance sheet date is calculated by the amortised cost method using an average return of investment rate calculated at 5% per annum. A charge of £9,092 has been recognised within the SOFA.

During the year the first instalment of £2,000 was paid. At the year end the funding commitment due within one year is £1,905 and shown within other creditors note 22. The commitment due after one-year amounts to £5,187.

25 Deferred income

	2022	2021
	£	£
Arising from services provided	-	33,333
	<u> </u>	<u> </u>

DAVID FORBES-NIXON CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

25 Deferred income

(Continued)

No rental income (2021 - £33,333) was received from Undershaw Education Trust in advance of the Winter term from 1 January 2023 - 30 April 2023.

26 Contingent asset

As noted in the Trustees' Report, in assessing current and future projects and the resources that may be absorbed, the Board maintain a review over income that may be expected to arise (with a reasonable degree of certainty) over the same period.

The Trustees' Report refers to a potential income stream that has been made available to the DFN Foundation by the Executive Chair arising from the inclusion of the DFN Foundation within the profit share arrangements for a number of investments to which the Executive Chair is a party.

It should be noted that the potential for future income is only available if each investment achieves a given level of performance over a minimum hurdle rate of return throughout the investment cycle; failure to achieve the given level will result in no income. It should also be noted that the DFN Foundation is participating in a profit share arrangement and the success (or otherwise) of each investment will not result in any future liability or additional commitment for the DFN Foundation.

At the year end the success (or otherwise) of achieving the given level of performance is unknown.

The table below sets out the estimated sums and the anticipated time scale. Both the sums and time scale are based on a number of estimates and assumes that the set performance criteria are achieved over the remaining life of each investment. On this basis the Board are of the view that the application of present value calculations to the figures below would not be appropriate.

- | | |
|--|------------|
| • Potential receipt in year ended 31 December 2026 | £1,729,835 |
| • Potential receipt between 2023 and 2025 | £175,597 |

The Board have determined that the estimation of future income for the purposes of the contingent asset note be reviewed annually. At each year end, where it is probable that future cash inflows arising from an investment can be measured reliability the income will be recognised in the Financial Statements.

A cash receipt of £12,701 was received from the above investments during 2022 (2021 - £6,314). At the year end no income has been recognised in respect of future years (2021 - nil).

27 Retirement benefit schemes

Defined contribution schemes

The charitable company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The Charity contributes a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Charity with respect to the scheme is to make the specified contributions.

At the current time the sole employee of the DFN Foundation has chosen to have contributions paid to a separate personal pension, rather than the DFN Foundation's pension scheme. The offered defined contribution pension scheme is therefore not used by any current employees.

The charge to the statement of financial activities in respect of pension contributions is £20,627 (2021 - £30,500).

DAVID FORBES-NIXON CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

28 Financial commitments, guarantees and contingent liabilities

Investments

The DFN Foundation holds a portfolio which includes a range of investments. Within this portfolio are specialist investment vehicles which are held as unquoted fixed asset investments. The nature of this investment fund requires the DFN Foundation to make capital payments over a multi year period of up to an amount which the DFN Foundation had committed to on application. Within this period, and as other investors join the fund, the DFN Foundation can be entitled to capital repayments as equalisation. Within the overall commitment of funds the timing and magnitude of each capital payment, or any equalisation repayments, are not subject to a set timetable.

At the year end the DFN Foundation had outstanding commitments under two investments of £2,007,653 (2021 – one investment of £1,197,853).

29 Restricted funds

Details of restricted income and expenditure for the current and previous year are detailed below:-

Movement in funds						
	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Transfers £	Revaluations, gains and losses £	Balance at 31 December 2022 £
DFN MoveForward	398,463	-	(170,800)	-	-	227,663
	<u>398,463</u>	<u>-</u>	<u>(170,800)</u>	<u>-</u>	<u>-</u>	<u>227,663</u>
	<u>398,463</u>	<u>-</u>	<u>(170,800)</u>	<u>-</u>	<u>-</u>	<u>227,663</u>
	<u>398,463</u>	<u>-</u>	<u>(170,800)</u>	<u>-</u>	<u>-</u>	<u>227,663</u>
	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Transfers £	Revaluations, gains and losses £	Balance at 31 December 2021 £
DFN MoveForward	607,523	-	(209,060)	-	-	398,463
	<u>607,523</u>	<u>-</u>	<u>(209,060)</u>	<u>-</u>	<u>-</u>	<u>398,463</u>
	<u>607,523</u>	<u>-</u>	<u>(209,060)</u>	<u>-</u>	<u>-</u>	<u>398,463</u>
	<u>607,523</u>	<u>-</u>	<u>(209,060)</u>	<u>-</u>	<u>-</u>	<u>398,463</u>

DAVID FORBES-NIXON CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

29 Restricted funds

(Continued)

DFN MoveForward

DFN MoveForward is an employability programme built on the tried and tested work of ThinkForward with the purpose to support and help young people with mild to moderate learning disabilities into sustainable paid employment.

As the lead commissioner through a Social Impact Bond, and with the aid of generous donations from supportive partner organisations, the DFN Foundation has set aside in total £1,000,000 to assist in the funding of the DFN MoveForward Project over 5 years commencing in 2018.

The Government's Life Chances Fund is working with the DFN Foundation within the Social Impact Bond to provide match funding in addition to the DFN Foundation's commitment.

Funds are advanced to ThinkForward on the basis of set sums as verified key goals are achieved by each young person as they move through the programme to sustained paid employment. Should any of the key goals not be met the DFN Foundation and its partners are not obligated to provide funds.

The impact of COVID-19 necessitated a review of the delivery of the programme.

In response to the limitations of the lockdown and social distancing rules the DFN Foundation has worked with ThinkForward to focus the work towards an activities based approach.

These accounts reflect a provision for payments due to ThinkForward of £170,800 (2021 - £209,060) which were invoiced and paid shortly after the year end. The Board expect the remaining balance of £227,663 to be settled within twelve months of the year end.

DAVID FORBES-NIXON CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

30 Designated funds

The funds of the Charity include the following designated funds which have been set aside out of unrestricted funds by the Trustees for specific purposes:

	Balance at 1 January 2022	Resources expended	Charge to SOFA	Balance at 31 December 2022
	£	£	£	£
Myeloma UK	534,060	(360,516)	26,703	200,247
	<u>534,060</u>	<u>(360,516)</u>	<u>26,703</u>	<u>200,247</u>
	<u><u>534,060</u></u>	<u><u>(360,516)</u></u>	<u><u>26,703</u></u>	<u><u>200,247</u></u>
	Balance at 1 January 2021	Resources expended	Charge to SOFA	Balance at 31 December 2021
Myeloma UK	621,329	(128,861)	41,592	534,060
	<u>621,329</u>	<u>128,861</u>	<u>41,592</u>	<u>534,060</u>
	<u><u>621,329</u></u>	<u><u>128,861</u></u>	<u><u>41,592</u></u>	<u><u>534,060</u></u>

The above funds have been designated by the Trustees to settle funding commitments to the charities stated. The terms of the funding commitment to Myeloma UK are as specified within note 24.

DAVID FORBES-NIXON CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

31 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Designated funds	Total
	£	£	£	£
Fund balances at 31 December 2022 are represented by:				
Tangible assets	6,744,855	-	-	6,744,855
Investments	13,433,688	-	-	13,433,688
Current assets/(liabilities)	(138,107)	227,663	200,247	289,803
Long term liabilities	(27,431)	-	-	(27,431)
	<u>20,013,005</u>	<u>227,663</u>	<u>200,247</u>	<u>20,440,915</u>
Fund balances at 31 December 2021 are represented by:				
Tangible assets	6,761,309	-	-	6,761,309
Investments	14,469,259	-	-	14,469,259
Current assets/(liabilities)	(223,035)	398,463	534,060	709,488
Long term liabilities	(138,615)	-	-	(138,615)
	<u>20,868,918</u>	<u>398,463</u>	<u>534,060</u>	<u>21,801,441</u>

32 Operating lease receipts lessor

The DFN Foundation continued to lease the freehold building and grounds to Undershaw Education Trust.

In accordance with the terms of the lease Undershaw Education Trust shall use the Undershaw property for the provision of education.

The current tenant repairing and insuring lease is for a period of 10 years which commenced on 1st September 2019, with future rent payments continuing on 1st January, 1st May and 1st September. The sums charged in the year remain below the full market rate.

An additional rental charge is made for reimbursement of the premium to insure the building.

Either party to the lease may terminate the agreement on 31st August in each year of the term by giving the other party not less than 12 months' notice.

The DFN Foundation has expressed its long term support of Undershaw Education Trust.

DAVID FORBES-NIXON CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

32 Operating lease receipts lessor

(Continued)

At the Balance Sheet date the School had contracted with the DFN Foundation for the following minimum lease payments:

	2022 £	2021 £
Within one year	100,000	100,000
Between two and five years	400,000	400,000
In over five years	166,667	266,667
	<u>666,667</u>	<u>766,667</u>

33 Transactions with related parties

During the year the DFN Foundation entered into the following transactions with related parties:

	Leases	
	2022 £	2021 £
Undershaw Education Trust		
Rental income	100,000	80,000
Reimbursement of insurance	12,016	14,381
	<u>112,016</u>	<u>94,381</u>

DAVID FORBES-NIXON CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

33 Transactions with related parties

(Continued)

Undershaw Education Trust

Undershaw Education Trust (Registered Charity - 1039622) is a related party due to the significant influence the Board of Trustees of the DFN Foundation has over the Board of Undershaw Education Trust. Undershaw Education Trust was granted the right to use the property of Undershaw as a school site, under the terms of a lease agreement, for a fee below that of market rental.

£62,212 of grants were made to Undershaw Education Trust in the year ending 31 December 2022 (2021 - nil).

At the year end the DFN Foundation owed £40,000 to Undershaw Education Trust.

Forbes Capital Investments Limited

In 2021 Forbes Capital Investments Limited provided the use of an employee to undertake administrative services for the DFN Foundation and on behalf of David Forbes-Nixon in his role as Trustee.

At the year end the DFN Foundation owed £11,785 (2021 - £11,785) to Forbes Capital Investments Limited.

DFN Project SEARCH

DFN Project SEARCH is considered a related party of the DFN Foundation following the appointment of a joint CEO in 2020.

The transactions between the two organisations are:-

No grants paid to DFN Project SEARCH by the Foundation during the year (2021 - £500,000) as reported in note 9.

Charges made at cost for the services of the CEO of £124,738 (2021 - £116,254) as reported in note 6.

No shared office facilities were recharged to DFN Project SEARCH during the year (2021 - £5,710).

The DFN Foundation received the services of the Financial Controller employed by DFN Project SEARCH for which invoices were raised at cost totalling £17,450 (2021 - £8,934). These costs are reported within management expenses of £18,206 within note 11.

At the year end the DFN Foundation owed DFN Project SEARCH £128,880 (2021 - £543,477). This balance is reported within creditors falling due within one year in note 22.

34 Subsidiaries

In keeping with its statutory obligations, the Board has arranged for separate Financial Statements for the period to 31 December 2022 to be prepared for the subsidiary. The Board have not prepared consolidated Financial Statements as the relevant thresholds which require such treatment were not exceeded in the year under review.

Details of the charitable company's subsidiaries at 31 December 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
DFN Events Limited	UK	Dormant company	Ordinary	100.00

DAVID FORBES-NIXON CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

35 Prior period adjustment

Changes to the balance sheet

	At 31 December 2021		
	As previously reported	Adjustment	As restated
	£	£	£
Capital funds			
Income funds			
Restricted funds	398,463	-	398,463
Unrestricted funds	21,402,978	-	21,402,978
	<u>21,801,441</u>	<u>-</u>	<u>21,801,441</u>
Total equity	21,801,441	-	21,801,441

Changes to the profit and loss account

	Period ended 31 December 2021		
	As previously reported	Adjustment	As restated
	£	£	£
Net gains on investments	2,525,762	36,283	2,562,045
Other gains and losses	24,436	(36,283)	(11,847)
	<u>1,782,717</u>	<u>-</u>	<u>1,782,717</u>

A balance of £36,283 was reclassified from "Other gains and losses" to "Net gains on investments" to recognise the foreign exchange impact on investments. The reclassification did not alter the net movement in funds during the prior year nor impact the opening fund balances of 31 December 2022.

36 Cash generated from operations

	2022	2021
	£	£
(Deficit)/surplus for the year	(1,357,871)	1,794,564
Adjustments for:		
Investment income recognised in statement of financial activities	(270,420)	(279,729)
Foreign exchange differences	2,655	-
Foreign exchange loss/(gain) on investments	68,478	(36,283)
Gain on disposal of investments	(288,288)	(253,298)
Fair value gains and losses on investments	1,343,090	(2,272,464)
Depreciation and impairment of tangible fixed assets	16,454	20,757
Movements in working capital:		
Decrease in debtors	14,297	63,128
(Decrease)/increase in creditors	(417,610)	270,567
(Decrease)/increase in deferred income	(33,333)	33,333
	<u>(922,548)</u>	<u>(659,425)</u>
Cash absorbed by operations	(922,548)	(659,425)

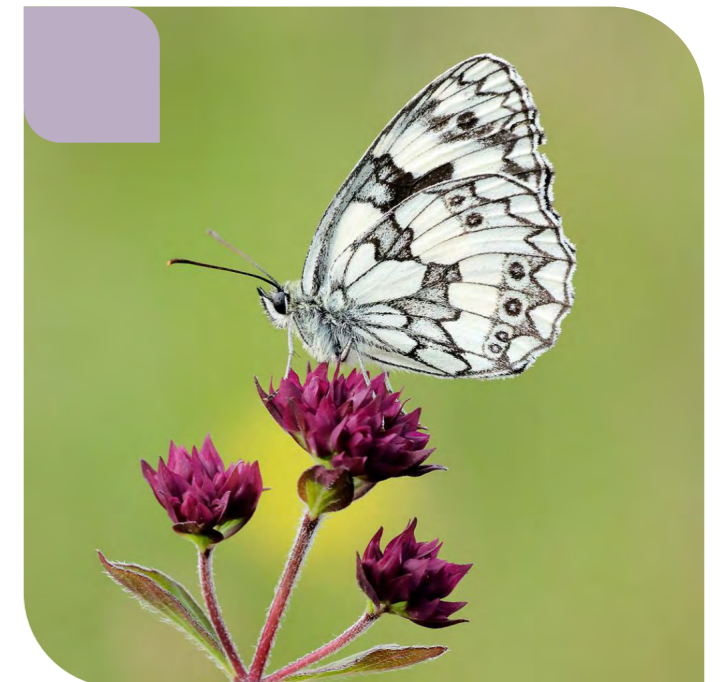
DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

England & Wales - Charity number 1155919

Accounts

Annual Report and Accounts

2021



Contact us

Claire Cookson

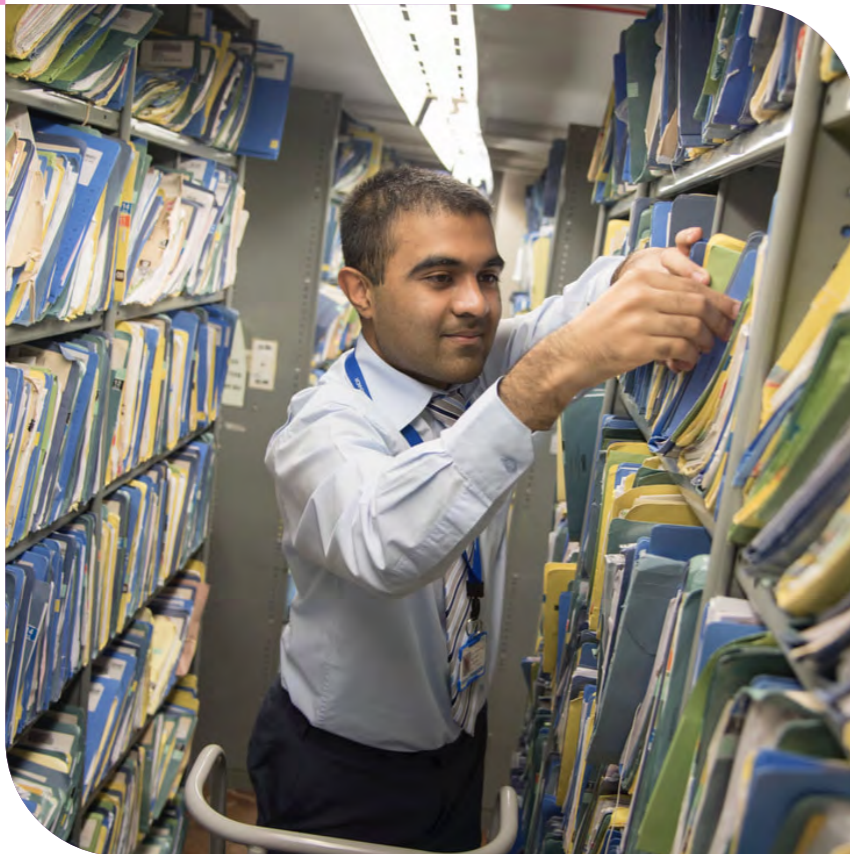
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Contents



Legal and administrative information	01
A message from our Executive Chair and CEO	02
What we do	06
Our four key priority areas	09
Education	10
Employability	28
Healthcare	48
Conservation	54
Trustees' Report on Financial and other Statutory Matters	64
Financial Review	68
Independent Auditor's Report	81
Statement of Financial Activities	85
Balance Sheet as at 31 December 2021	87
Statement of Cash Flows for the year ended 31 December 2021	89
Notes to the Financial Statements for the year ended 31 December 2021	90

■ INTRODUCTION

Legal and Administrative Information

Transforming Lives for the Better

Name	David Forbes-Nixon Charitable Foundation (formerly DFN Charitable Foundation)
Trustees	Mr D Forbes-Nixon OBE (Executive Chair) Mr J Dickson Mr S N Konsta Mr E W Low Mr N O Stromsoy Mrs T L Scott (appointed 19 May 2021)
Charity number	1155919
Company number	08906571
Registered office	10 Norwich Street London EC4A 1BD
Independent auditor	Dixon Wilson Audit Services LLP 22 Chancery Lane London WC2A 1LS
Bankers	Barclays 1 Churchill Place Canary Wharf London E14 5HP
Solicitors	Macfarlanes LLP 20 Cursitor Street London EC4A 1LT
Accountants	Humphrey & Co 7-9 The Avenue Eastbourne East Sussex BN21 3YA
Business address	10 Norwich Street London EC4A 1BD

A message from our Executive Chair and CEO



David Forbes-Nixon OBE
Executive Chair

Despite the challenges of Covid-19, 2021 has been another strong year of progress across the four key priority areas of education, employment, healthcare, and conservation set by the Board of the David Forbes-Nixon Charitable Foundation (DFN Foundation) as detailed below:

- 1. Education:** To create a world class special needs school at Undershaw Education Trust (Undershaw, previously Stepping Stones School) and to promote the development of best practice in special needs education which will deliver great outcomes for young people with learning difficulties, disabilities and autism.
- 2. Employability:** To positively influence current practice so that young people with special educational needs and disabilities receive high quality work-related learning and improved access to long-term paid employment.

- 3. Healthcare:** To improve survival rates of Myeloma patients and advance cures through the strategic funding of high-quality research which will help patients to live longer lives.
- 4. Conservation:** To ensure the survival of the British butterfly, with the long-term goal of focusing efforts on the re-introduction of some of the rarer species of British butterfly. The DFN Foundation was the co-sponsor of the 2021 Big Butterfly Count in July, the world's biggest survey of butterflies, with over 107,000 participants taking part and over 150,000 counts.

Education and employability

Looking at the innovative work we support across education and employability, we know that being able to work is central to many aspects of life: survival, capacity to contribute and achieve, social connections and self-determination. Without our work, people with a learning disability, autism spectrum condition, or both, are far less likely to secure paid employment and therefore far more likely to live in poverty.

Employment is not only the means to economic self-sufficiency, it is also an important way for people with disabilities to contribute as fully participating members of their communities, building a network of social relationships and



The confidence and growth that comes from successful employment is tremendous, and the empowerment that comes with controlling your own resources is an important part of living a self-determined life. DFN Project SEARCH has continued to grow, both in terms of number of sites and host business relationships, as well as business advisory and partnership networks.

DFN Project SEARCH grew its central team significantly to demonstrate its unwavering commitment to ensuring high-quality transition to employment for all interns. This allowed the team to provide more support, training, coaching and resources when partners needed it most. During the most unsettling of times, we saw unfailing commitment from partners in business, education, supported employment and Local Authorities, all coming together to ensure that nothing compromised this life-changing experience for the DFN Project SEARCH interns.

“During the pandemic, we have glimpsed a kinder society that understands how much we are connected and how deeply we depend on each other.”



Our work also supported the disability Commission of the Centre for Social Justice (CSJ), aiming to influence the government’s National Disability Strategy and secure a step change in the opportunities available to disabled people, especially in employment so they can live their lives more fully and as they want to.

Its message is simple – ‘Levelling up: time to get it done’. 50 business leaders signed an open letter to the Prime Minister urging him to deliver on his promise of a truly transformative National Strategy for Disabled People. In the letter – organised by the CSJ Disability Commission – the signatories said: “Disabled people have waited long enough; now is the time for action”.



Claire Cookson
Chief Executive Officer

“
Disabled people have waited long enough; now is the time for action.”



Healthcare

In terms of our support to find significant medical breakthroughs in the diagnosis and treatment of Myeloma cancer, the Covid-19 pandemic has shown us how highly valued our health is, and how closely it is linked to the functioning of society. Despite the Covid-19 pandemic causing disruption in many areas of healthcare, the OPTIMUM (MUKnine) trial that we fund continued as planned and the team have continued to work on making innovative molecular diagnostics more widely accessible for patients treated in the UK and elsewhere.

The team in fact started new research into the immunological impact of high-risk myeloma by investigating immune profiles of patients at trial entry and throughout therapy by multi-parametric flow cytometry.

Conservation

Much of our understanding about the ecological consequences of global climate change comes from studies of butterflies in Britain. Through the work that we support with Butterfly Conservation, valuable information on the fortunes of species is collected over many years which enables us to

understand the impacts of climate change. Such detailed long-term information is very rare globally, but Britain is unique in having data going back to the 1970s, and even earlier, when the footprint of human-caused climate change became increasingly evident.

Now is the time for us to act collectively to create an economy characterised by growth that is strong, stable, and broadly shared, one that measures its success by the degree to which individuals and families have a chance to lead a prosperous life. The world has undoubtedly been transformed by the Covid-19 pandemic, and while many of these changes have devastated society, many others have presented the impetus to a fresh and positive future we can aspire towards.

We would like to thank all our partners for their inspirational work and their continued determination to support those who need it most. A special thanks also goes to our committed trustees, patrons, and funders, without whom none of this would be possible.

David Forbes-Nixon and Claire Cookson

What we do

Delivering the future now

Our vision is to bring positive and lasting change, helping to unlock natural potential and build a more inclusive and environmentally conscious society.

Education

We continue to promote the development of best practice in special needs education to deliver great outcomes for young people with learning difficulties, disabilities and autism.

Employability

We are positively influencing current practice so that young people with special educational needs and disabilities receive high quality work-related training and improved access to long-term paid employment.

Healthcare

We are committed to improving survival rates of Myeloma patients and advancing cures through the strategic funding of high-quality research.

Conservation

We are working to ensure the survival of the British butterfly, with the long-term goal of focusing efforts on the re-introduction of some of the rarer species of British butterfly.

Transforming outcomes

We are a commissioning charity committed to transforming life outcomes for people throughout the country.

With the DFN Foundation's support, our delivery partners are able to influence sustainable change in special needs education, supported employment, healthcare and conservation. Our partnership model is business led and outcome driven.

This enables us to obtain transformational results with very clear deliverables, whether it is helping more young people with special needs through education and into full-time employment, advancing Myeloma research or supporting butterfly conservation.

In any case, we at the DFN Foundation are passionately committed to making our society a more environmentally conscious and inclusive place for all.



Our Four Key Priority Areas



Education



Creating world-class special needs education

We have invested £7.5 million in establishing Undershaw, a special educational school in Hindhead, which is providing world-class special needs facilities and supporting pupils to reach their full potential in life. We are the commissioner of one of the UK's largest Social Impact Bonds and, together with ThinkForward, we have

created the DFN MoveForward programme. This is an innovative education-based employability skills strategy that supports students with special needs by providing individualised coaching, creating ready for work opportunities whilst promoting greater employer awareness and engagement.

DFN MoveForward

In 2021, the DFN Foundation funding meant the DFN MoveForward programme worked with 189 young people with additional needs across London, Kent and the West Midlands. The programme provides coaching and employability activities to support young people to get ready for sustainable paid employment.

In early 2021, employer events continued to be delivered virtually. Examples included:

- Red Bull Racing - Q&A
- Microsoft - Digital Skills Training
- EY - Business Mentoring
- Citi – Personal Branding
- Proskauer – Business Mentoring
- Aspinall Foundation – Virtual Insight Day

Young people like **Sadie, 17, from Bradfields Academy in Kent**: Sadie said: "I love the MoveForward programme. I love how it opens doors to new opportunities, and how my coach will help me to overcome these things that I'm not confident in. My mum honestly loves it just as much as I do. She loves how much my confidence has grown, and she really liked the half term activities because it meant I was out the house, not on my own and had access to new environments." In addition to **486** one-to-one coaching sessions, **422** group work attendances and **622** employer event attendances, there were also **1,022** meaningful contacts with young people.

Employer events are important because they provide meaningful experiences for young people to put on their CV and open up a range of different careers and sectors. One of the highlights in 2021 was a Virtual Business Mentoring programme at Bradfields Academy which involved 26 young people, six Credit Suisse mentors, eight ThinkForward colleagues and five school staff members. Following mentor training, the programme was delivered over three sessions, focusing on work readiness capabilities. All the young people who took part will receive an AQA Unit Award Scheme certificate to recognise their achievement.

Feedback from young people was collated using the online tool Mentimeter:

Mentimeter feedback from young people included:

What have I learnt?

Talk to new people

About jobs

I have learnt about going for a interview

What a skill is

How to get a job

That you have to be ready for an interview and know your stuff about what your going to be doing for a while.

Always stay positive

Teamwork

I have learnt about different logos and learnt how to sell a pen.

What have you learnt?

I have learned how to plan effectively, the different roles in construction, all the small details

We have learnt how much work goes into designing and planning a house.

I have learnt to be more calm in different situations. I have learnt more about design and recycling

How would you describe this virtual Multiplex Work Experience in one word?

Describing the benefit of the Business Mentoring programme from a Credit Suisse perspective, one mentor said: "I gained a deeper understanding of some of the issues affecting the young adults we were working with, challenging some preconceptions, making me think more, and I've taken this into my daily life."

An additional highlight in terms of virtual employer events was the Work Experience programme delivered in partnership with Multiplex, a global construction company. The programme was delivered over eight sessions and involved students from Undershaw in Surrey, Samuel Rhodes School in Islington, Woodlands School in Warwickshire, and Bradfields Academy. Young people learnt about architectural

design and the programme culminated in every young person creating and presenting their own house design.

This is an example of a young person's house design using Minecraft:



Describing what Multiplex enjoyed most about the programme, Wally Alvarez from the Social Value Team said: "Engaging with the SEND students as it was our first time doing it. We've learned a lot."

Wally went on to describe how Multiplex benefited from the programme: "We've broadened our horizons and expanded into new areas to promote more social value."

As Covid-19 restrictions eased in spring/summer 2021, DFN MoveForward was able to facilitate more employer events in person. Examples included:

- Kent Life – Group Work Experience
- Fenn Bell – Insight Day
- Hotel Melia – Insight Day
- Skanska – Insight Day
- RAF STEM Ambassadors – Business Mentoring





Michael, 18, from Sandwell is an example of a young person who DFN MoveForward supported into a paid work experience opportunity at engineering company Forkers Ltd during the summer holidays. This opportunity followed Disability Awareness Training for Forkers' staff and an online Q&A session between young people, the Operational Director and the HR Manager.



Following Forkers' engagement with DFN MoveForward in 2021, Roisin Robotham from HR commented:

"The work MoveForward do is fantastic, to be supporting young people and going above and beyond to help them in any way to transition from school into employment, and to give them as many opportunities and experiences as possible to prepare them for employment"



Parents/ carers are key stakeholders in the DFN MoveForward eco-system and there were **624** meaningful engagements recorded in 2021.

When asked what they would say to a parent/ carer who is unsure whether their child should enrol on DFN MoveForward, one parent/ carer commented: "Give it a go. It teaches them about the adult world of work, whilst knowing there is someone to support and encourage them. It's all been positive."

Another said: "They will certainly be getting the best and safest advice they need to point them in the right direction and make the best decisions for their future."

In terms of job outcomes, 14 DFN MoveForward young people started a paid job of more than 16 hours a week in 2021.

Thanks to the DFN Foundation funding, DFN MoveForward is now in its fifth year of operation. This provides coaches with the opportunity to facilitate engagement between graduated alumni and the current cohort. In 2021, Libby visited her old school, Bradfields Academy, and gave a series of inspiring presentations on her journey from education into employment.

Job Title	Employer
Apprentice Warehouse Operative	Stennah & Hope
Cleaner	Mitie
Grounds Maintenance	Ground Control
Vaccination Marshalls	Croydon Health Services NHS Trust
Retail Staff Member	Spa
Warehouse Operative	Kingdom
Warehouse Operative	Tufnells
Customer Service Assistant	Pret a Manger
Postal Apprentice	Royal Mail
Cleaner	Mitie
Domestic Assistant	Medirest
Domestic Assistant	Medirest
Domestic Assistant	Great Ormond Street Hospital
Stock Assistant	Marks & Spencer



Reflecting on her experience on the DFN MoveForward programme, **Libby**, 21, commented:

"Before joining ThinkForward's MoveForward programme, I had no idea about what I would do when I left school. I had low expectations of myself and what I thought I was going to be able to achieve. I think that led me to be constantly seeing my coach because I was very aware that I didn't just want to do nothing. I really was eager to move forward, earn a living and be successful in something, because I had never felt that could be possible before joining MoveForward. The support from MoveForward really helped motivate and encourage me to pursue a career in teaching, which is something I always knew I wanted to do. MoveForward helped show me what the pathways were into my desired career. From becoming a teaching assistant and all these things that I didn't know about before, MoveForward equipped me with the knowledge of career pathways."



DFN MoveForward programme sites

Organisation Name	County	Established
Samuel Rhodes School – Islington	London	2017
City & Islington College - London	London	2017
Bradfields Academy - Chatham	Kent	2017
MidKent College – Maidstone & Gillingham	Kent	2017
The Westminster School – Rowley Regis	West Midlands	2018
Welcombe Hills School – Stratford Upon Avon	West Midlands	2018
Woodlands School – Coleshill	West Midlands	2018
Undershaw School – Hindhead	Surrey	2019



Undershaw



Emma West
Head Teacher

Undershaw takes its place as a Centre of Excellence for SEND Education, looking to the world of diversity and inclusion to create workplaces fit for the future.



The DFN Foundation provides vital support for our work at Undershaw. Stepping Stones School relaunched under its new name in September 2021 and is continuing in its vision to be an inclusive school where the best interests of the child are at the heart of everything that we do. Undershaw empowers students to aspire and achieve. The school provides a caring and safe environment which allows students to thrive and flourish and prepares them to be socially and economically engaged in the future.

Undershaw has had a pivotal year with many highlights: our successful rebrand, the appointment of Emma West as Head Teacher, and an unprecedented number of enquiries from prospective families looking to secure a place at Undershaw for their child.

Our charitable foundations provide our buildings which house our community.

Our campus is vital as it provides a safe and happy place for our students to experience school life, some of whom struggle with separation from home and who look to our pastoral support assistants to provide them with one-to-one care and attention. It is crucial that our campus, along with our community, is a safe, secure, and happy place.

We have a visionary structure to our school day with longer lesson blocks and minimal transition. This has enabled teaching and learning to dovetail with our integrated therapy to immerse the students in their innovative educational journey. Discovery Days each Friday give our learners opportunities to find and fuel their passion, hone their expertise, and ultimately complete

**“The world is kind because I have now found a better school.”
- Current student**

their Undershaw Diploma. We can, once again, organise educational trips and this has breathed yet more life into our school.

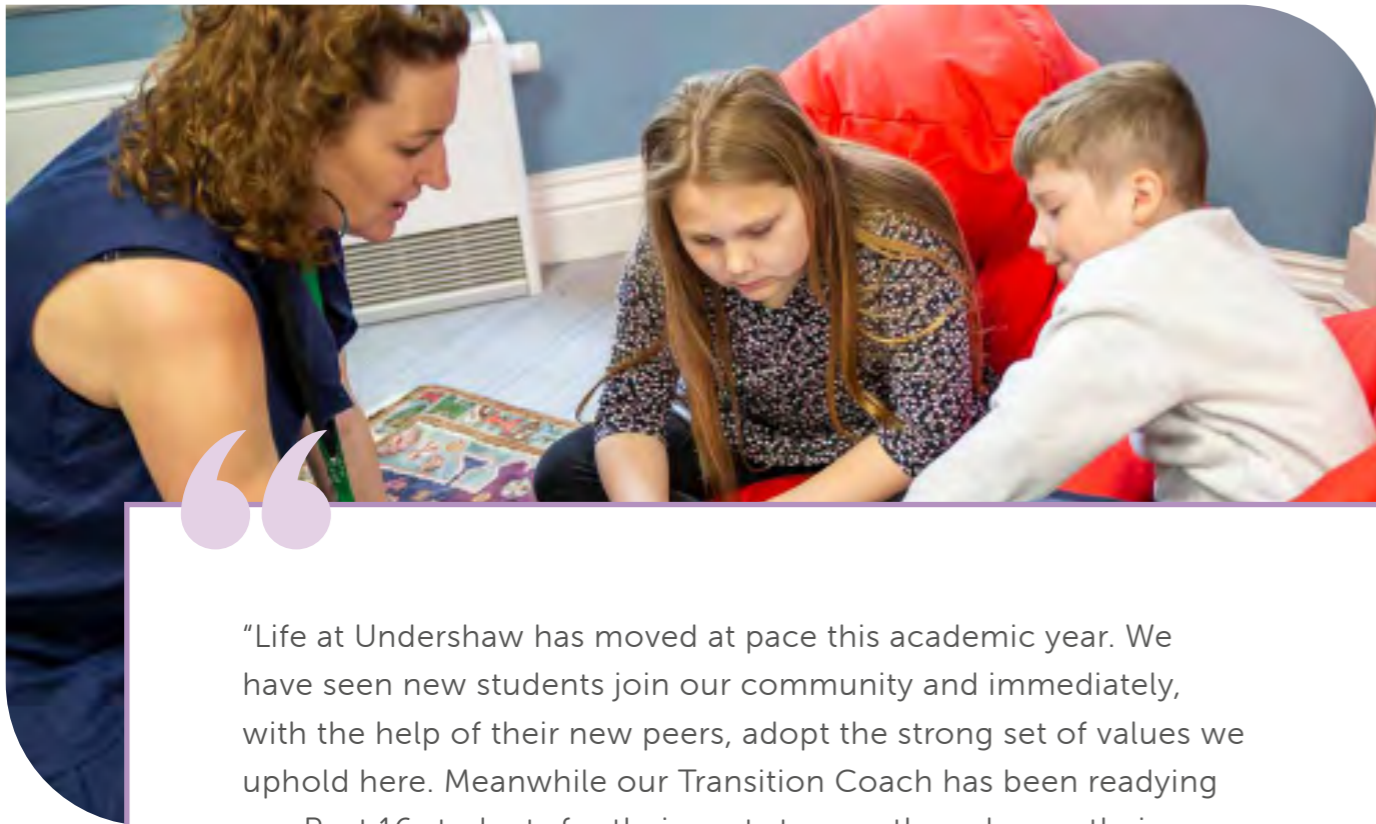
The DFN Foundation also co-funds our Progression Coach and Employability & Life Skills Faculty Lead. The Employability & Life Skills faculty highlights Undershaw’s commitment to offer a broad and dynamic destination led education. We have these skills threaded throughout our broad curriculum and have been awarded the accolade of the Skills Builder Silver Award.

All students are introduced to Skills Builder early in their tenure and all our learning is centred around teaching the principles of Listening, Speaking, Problem Solving, Creativity, Staying Positive, Aiming High, Leadership, and Teamwork.

We are proud to report that this year has seen Undershaw alumnus Charlie Forbes-

Nixon take his place on the DFN Project SEARCH Supported Internship Programme at Queen Mary University London (QMUL). Charlie was an Undershaw student for nine years and graduated in the summer of 2021. He worked tirelessly on his application, excelled at his interview, and secured a place QMUL. Our team of Speech and Language, Occupational Health, and Physiotherapists worked with our Employability & Life Skills team to ensure that we gave the right support whilst preparing Charlie for his next steps as an independent young adult.





“Life at Undershaw has moved at pace this academic year. We have seen new students join our community and immediately, with the help of their new peers, adopt the strong set of values we uphold here. Meanwhile our Transition Coach has been readying our Post 16 students for their next steps as they choose their independent paths beyond Undershaw. Our Governing Board has representatives from every walk of Undershaw life and is, as ever, our trusted friend. The Governing Board representatives from our charitable foundations equip us with sound strategic and financial oversight and continue to assist the school with both their time and acumen. It makes such a difference to our community to have such high calibre support.”

Emma West, Head Teacher, Undershaw



Leilah Sheridan,
Progression Coach, Employability & Life Skills Faculty Lead,
Undershaw

“At Undershaw we are committed to each individual student having the chance to prepare for transition with confidence and self-belief; building confidence makes aspiration feel possible.”



“Post 16 gave Noah the chance to connect what occurs within the class with real world experience. The school provided Noah the support to develop his skills, feel safe to take risks that helped him to grow and mature into seeing himself as someone who could contribute to society and feel the pride that comes with that.”

Catherine H,
Undershaw Alumnus Parent



“I have helped my communication skills grow by ordering tickets and I have done some problem solving by working out the bus and train times. But I’ve also learned to stay positive because when coming back from Guildford, the train got delayed by 40 minutes! Overall, this is helping me become more of an independent traveller than I used to be.”

Ryan,
Current Undershaw Post 16 Student

CSJ Disability Commission

The DFN Foundation supported the launch of the CSJ Disability Commission, to secure a step change in the opportunities available to disabled people, especially in employment, to live their lives fully and as they want to.



Its message is simple –
‘Levelling up: time to get it done.’

The Commissioners were:

- Kevin, Lord Shinkwin, Commission Chair and member of the House of Lords
- David Forbes-Nixon OBE, Commission Deputy Chair and Executive Chair of the DFN Foundation and DFN Project SEARCH
- Dimple Agarwal, Deputy CEO, Managing Partner People & Purpose, Deloitte LLP
- Fleur Bothwick OBE, Director of Diversity & Inclusive Leadership, EY – EMEA (Europe, Middle East, India and Asia)
- Tiernan Brady, Global Director of Inclusion, Clifford Chance LLP
- Helen Cooke, Director, MyPlus Consulting
- Helen Dolphin MBE, Independent Mobility Consultant
- Baroness Tanni Grey Thompson DBE, DL, Olympian and member of the House of Lords
- Prof. Kim Hoque, Professor of Human Resource Management, Warwick Business School
- James Lee, City Bridge Trust
- Diane Lightfoot, Chief Executive Officer, Business Disability Forum
- Rt Hon Mark Harper MP, former Minister for Disabled People



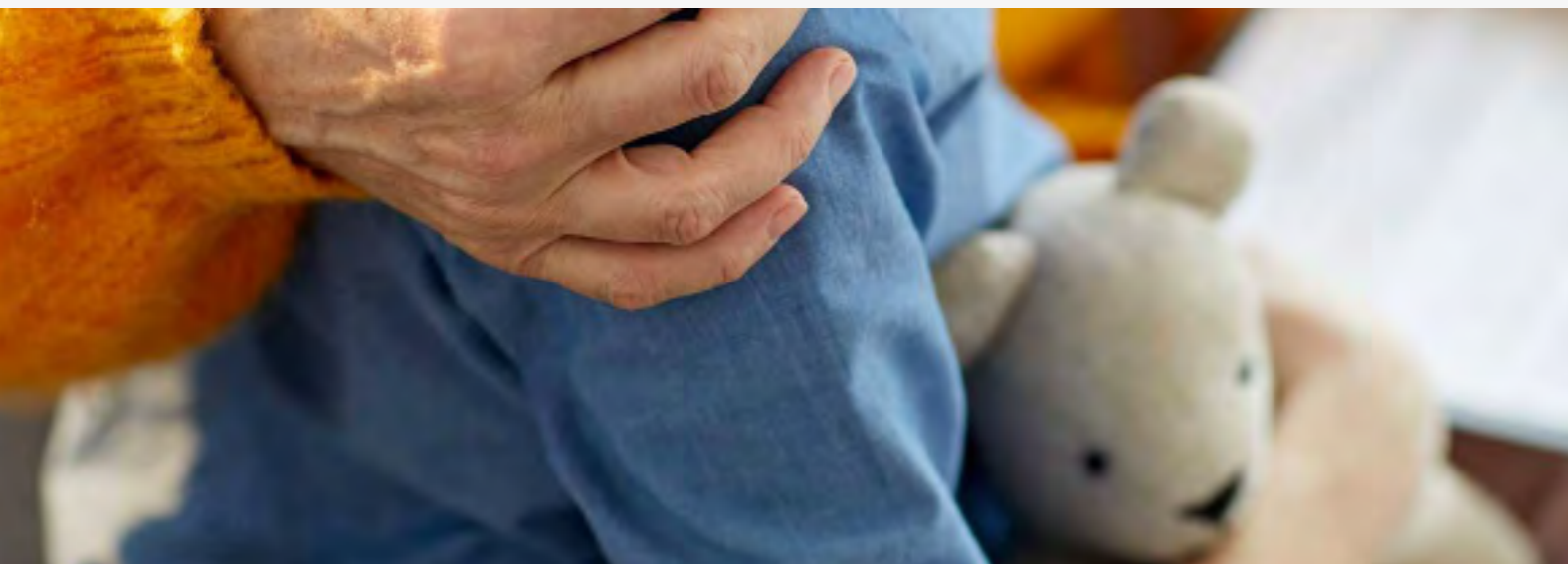
2021 marked 26 years since the Disability Discrimination Act and 11 years since the Equality Act passed into law. Despite these legislative changes, progress towards greater equality between disabled and non-disabled people has been erratic and, in some areas, non-existent.

The Conservative Party made a manifesto commitment at the General Election¹ to develop a disability strategy which, in the words of the Prime Minister, needs to be the “**most ambitious and transformative endeavour for disabled people in a generation.**” In anticipation of the publication of the Strategy for Disabled People and to match the sentiment of the Prime Minister, the CSJ Disability Commission published a report “**Now Is The Time**”², with equally ambitious and transformative recommendations across employment, education, housing, transport, and access to goods and services.

There are numerous benefits to removing barriers to employment. It would not only enhance disabled people’s social inclusion, wellbeing, and financial independence, but would also make complete sense economically. Despite this, the disability employment gap remains stubbornly high, with only 52% of disabled people (and only 5.1% of those with a learning disability) being in work compared with 81% of non-disabled people. On the basis of current trends (all else remaining equal) the Commission estimates it will take 40 years to close the gap. A holistic approach to tackling the barriers to independent living is crucial. The Commission’s recommendations therefore extend beyond employment to education, housing, transport, and access to goods and services.

This root and branch investigation into the employment and independence of disabled people explores the barriers they experience across the workplace, in education, housing, transport and goods and services. It is critical that any National Strategy connects and addresses each of these issues.

The evidence speaks for itself: The disability employment gap has moved 5% in seven years – the current employment rate gap between disabled and nondisabled people is 29.2%.³ By age 26, disabled people are already four times more likely to be not in education, employment or training than non-disabled people.⁴



Working age adults with an unmet need for accessible housing are four times more likely to be unemployed or not seeking work due to sickness/ disability than disabled people without accessible housing needs or whose needs are met. Almost one in four working age households with an identified need for accessible housing report an unmet need.⁵



One third of disabled people have problems accessing public, commercial and leisure goods and services.⁶

One in fourteen disabled people have had to turn down a job in the past year because of inaccessible public transport.⁷

Every headline indicator – across employment, education, housing, transport, and goods and services – reveals significant inequality between disabled and non-disabled people, no matter the type of disability or health condition.

¹ Conservative Party Manifesto 2019, page 17

² Now is the Time, CSJ Disability Commission

³ ONS, Dataset A08: labour market status of disabled people

⁴ Joseph Rowntree Foundation, 2005, The education and employment of disabled young people, page 41

⁵ LSE, Papworth Trust & Habinteg, 2016, No Place like an accessible home

⁶ Sample size: adults with impairments (2,710), adults without impairments (3,690). ONS (The National Archives), 2015, Life Opportunities Survey: Wave Three, Final Report, October 2012 to September 2014

⁷ Savanta Comres, 2018, Leonard Cheshire Disability: survey of disabled adults transport section

Key Recommendations from the report:

Employment

- 1** The Department for Education should formally commit to ensuring **all young people with EHC Plans are offered a fully funded supported internship.**
- 2** The Government should require **employers with 250+ employees to report the proportion of their workforce that is disabled and the pay gaps that exist between disabled and non-disabled employees.**
- 3** Employers' workforce disability metrics (the proportion of the workforce that is disabled) **should be taken into account in the contract award decision for all public sector contracts** (and not just central government contracts).



Education

- 4** The Government should **strengthen the SEND training element within the Early Career Framework** for teachers by including:
 - the offer of training based in **Special Schools** and alternative providers;
 - **training on the role and use of technology and SEND;** and,
 - **accreditation for training routes which specialise in SEND provision.**
- 5** The Department for Education should **produce an action plan to increase supported work experience opportunities offered to disabled pupils** in secondary schools. This plan should include a dedicated grant tailored to short-term and flexible work placements which supports education providers and employers to make placements accessible as standard.



Housing

- 6** The Government should **raise the minimum accessibility standards for houses so that all homes built in the future are adaptable and/or accessible homes.**






Goods and Services

7 The Government should change licensing requirements so that **premises must be made accessible in accordance with the Equality Act 2010 before they can trade.**

8 The web accessibility regulations introduced for the public sector in 2018 to meet the international 'Web Content Accessibility Guidelines' **should be extended to private organisations.**

Transport

9 The Government should ensure that all modes of transport have a **free-to-use ombudsman with the power to create binding decisions** in relation to Equality Act cases and provide compensation. There should be a single portal for disabled people to access the ombudsmen.



“

Lord Shinkwin,

Chair of the Commission says,

“The Prime Minister’s strategy represents a once in a generation chance to chart a new way forward where disabled people’s potential to contribute, compete and, in some cases, excel and reach the top of their professions, on merit, can at last be realised. We have one shot at this - that’s why it’s so important his strategy gets it right. What makes this even more exciting is that big business is ready to get behind him”



David Forbes-Nixon OBE,

Commission Deputy Chair says,

“

“Having a disabled son has opened up my eyes to the inequalities in education, employment and life chances for disabled people in the UK. I hope the Commission’s recommendations, particularly in employment, will be embraced by the Prime Minister in his National Strategy for Disabled People so we can draw on this extraordinary and untapped talent pool.”

“

Baroness Tanni Grey-Thompson DBE, DL

Gold medal-winning former Paralympian and a Commissioner, says,



“Despite the very welcome improvements in legislation since the Disability Discrimination Act, the experience of the last 25 years shows that laws on their own aren’t enough. The political will to enforce them is crucial. Right now, disabled people feel that we’re going backwards. That’s why we really need the PM to keep his promise of a transformative strategy and drive change from the front.” Research and analysis for the Report has been led by the influential think tank, the Centre for Social Justice (CSJ).”

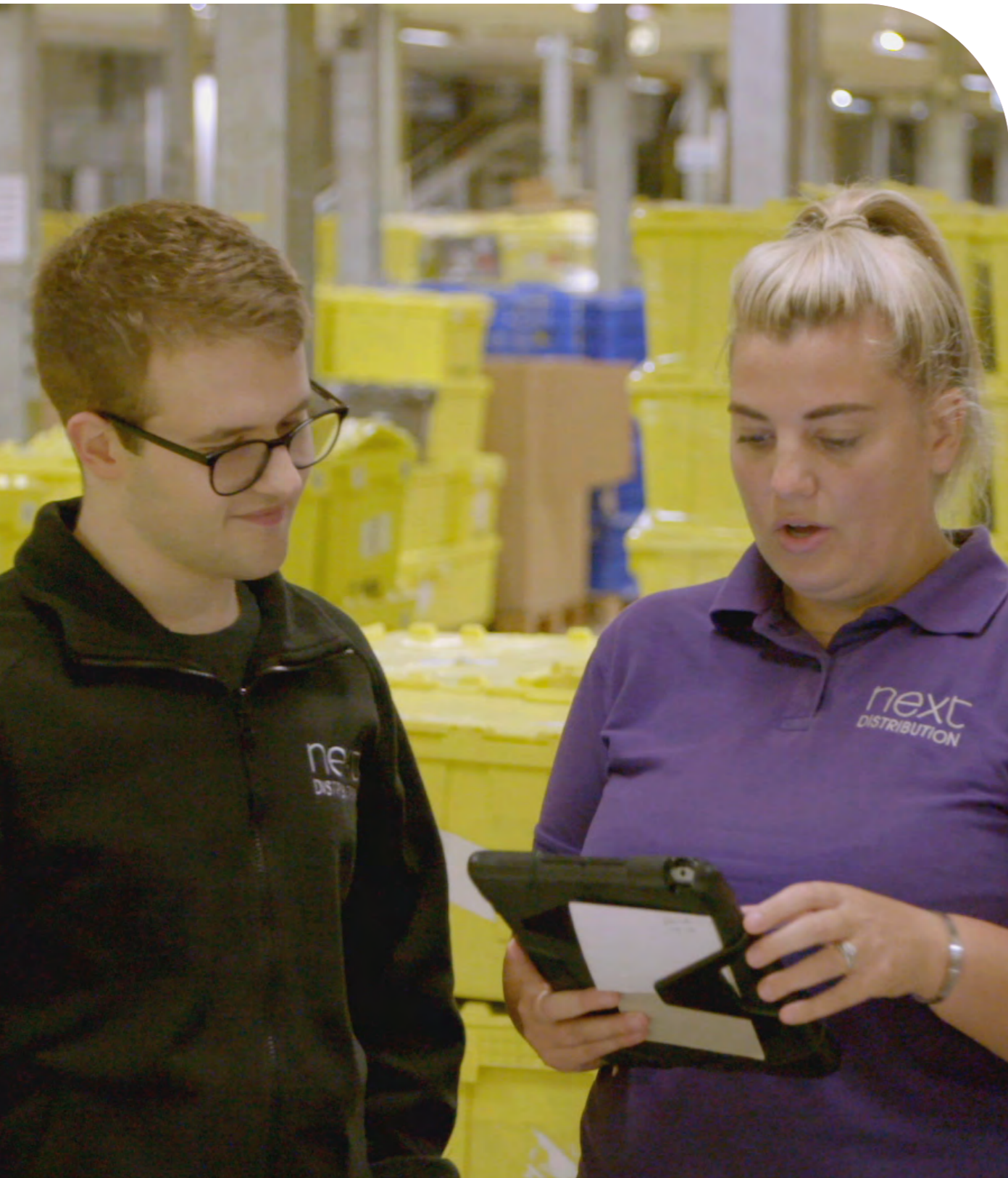
“

Andy Cook,

Chief Executive of the CSJ, says,

“If we are to truly level-up, we need to be much bolder in our approach towards disabled people. Disabled people face too many unnecessary barriers in society. There is an opportunity now to empower disabled people into full and active participation within all aspects of society. I encourage the government to look closely at this report’s findings.”

Employability



Aims of the DFN Foundation

- Striving to provide innovative skills-based training that better prepares students with additional learning needs and disabilities for the workplace whilst opening the door to a wide variety of employment opportunities.
- Increasing convenient and quick access to internships and apprenticeships for young people with learning disabilities and autism, giving them a gateway into the workplace.
- Promoting greater employer engagement and eliminating the employment gap by positively influencing current practices to provide disabled youths with their full entitlement to effective employability training.

How the DFN Foundation plans to achieve its ambitions

- Sharing evidence based research to influence best practices that helps young people with learning disabilities in paid employment to thrive and sustain their place in a professional environment.
- Engaging a partner organisation to develop and implement a proposal which will deliver innovative employability skills strategies that support students with special needs into work.
- Positively supporting and influencing central and local governments, including the Department for Education and the Department for Work and Pensions, employers and other voluntary organisations to target their efforts and resources to support programmes which meet our ambitions for change.



The DFN Foundation continues to support the growth and evolution of DFN Project SEARCH. We are delighted to share these key updates about pioneering work undertaken by DFN Project SEARCH.

Our latest outcomes

Our interns secured **209 jobs** in the most challenging and critical moments of the pandemic! Thanks to the support from the Department for Education and the

Department for Work and Pensions, interns who could not complete all rotations were given the opportunity to re-join the programme in the following academic year.

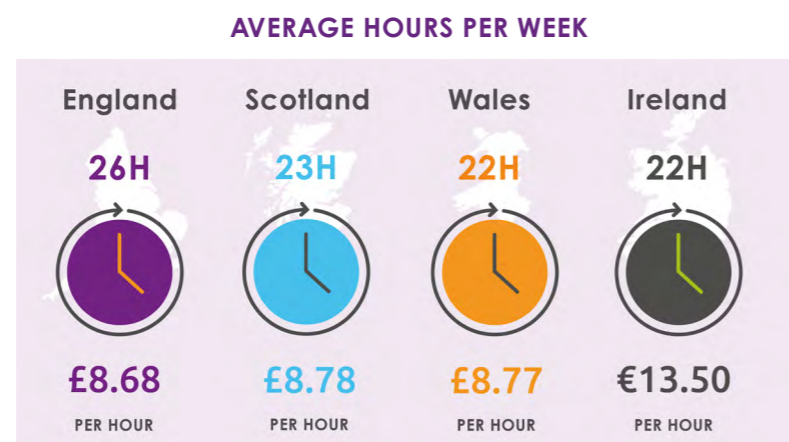
Our numbers*

	2016/2017	2017/2018	2018/2019	2019/2020
Number of sites	39	46	56	64
Number of Interns enrolled	368	423	515	505**
Number of Interns completed	338	399	477	435
Full-time jobs	192	239	254	175
Total jobs	227	272	295	209

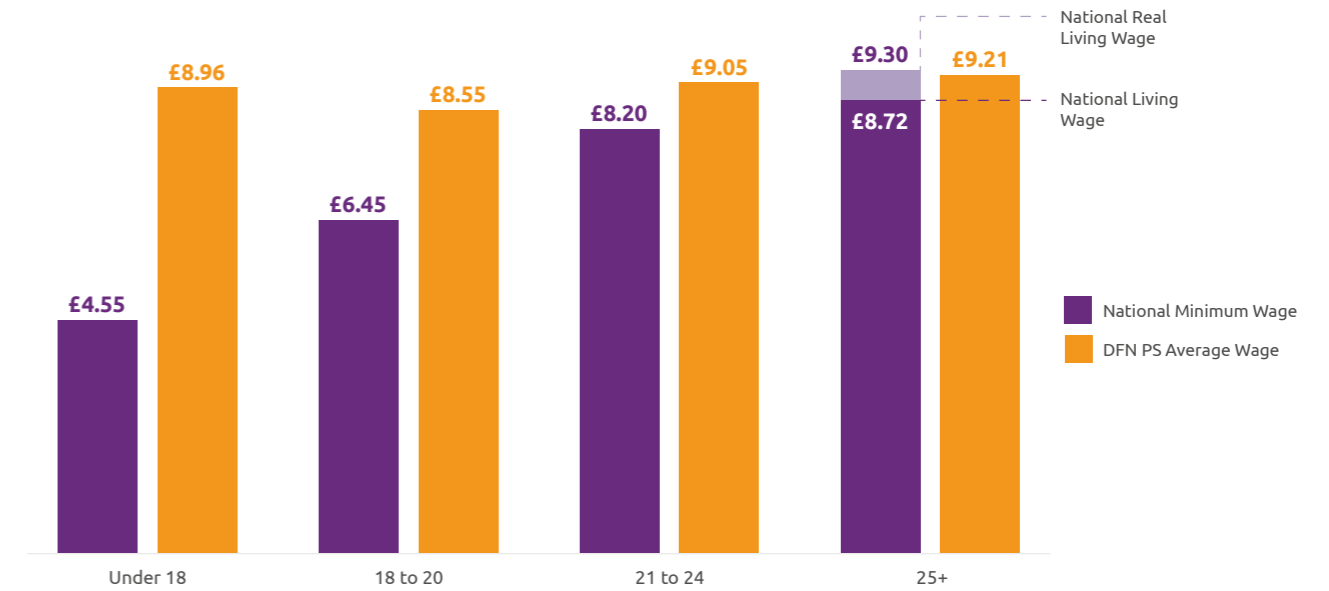
* The data collection occurs nine months after the interns complete their programme. Our latest data come from the 2019/20 cohort and were collected in June 2021.

** 89 interns not included here decided to join the next cohort due to Covid-19

While interns in England tended to get contracts with longer hours per week, the numbers in other parts of the UK and in Ireland have been increasing.

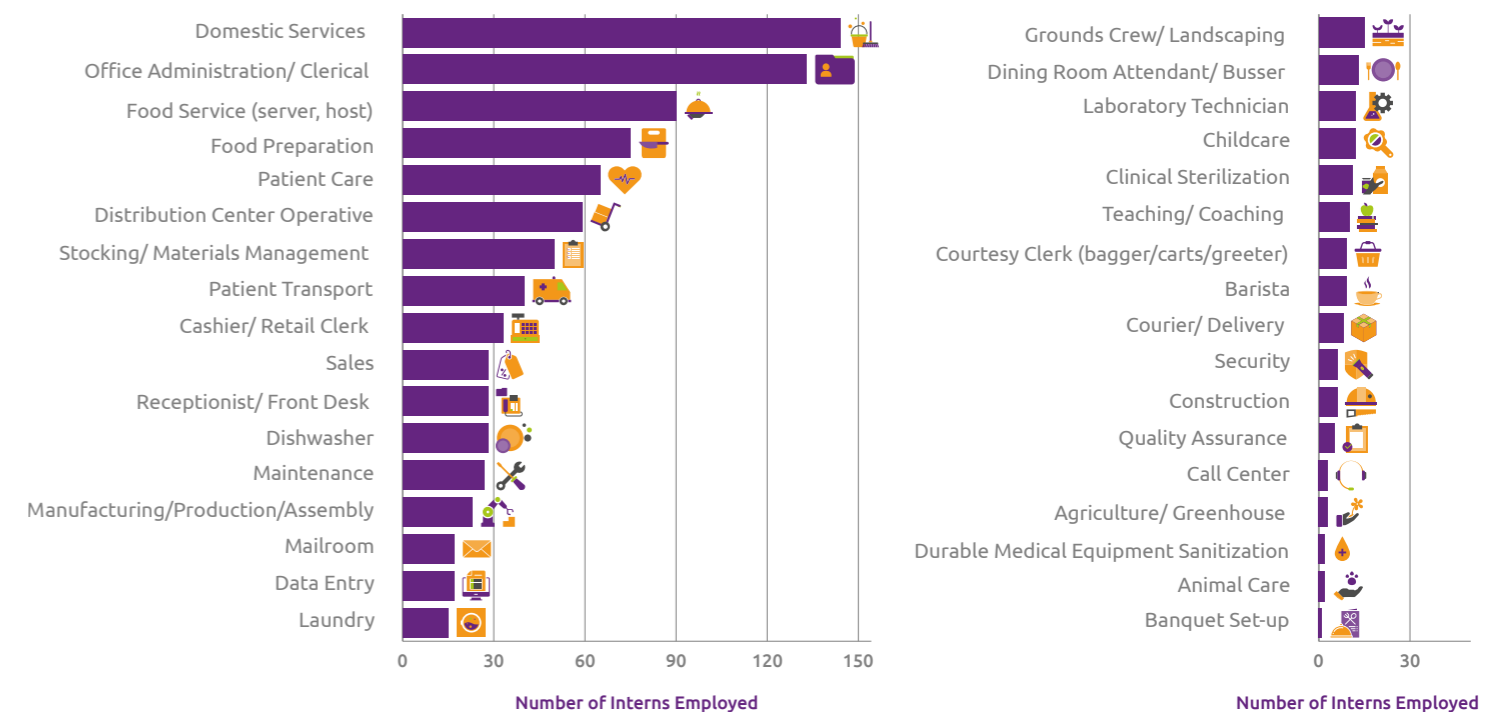


National minimum wage from April 2020 to April 2021 and DFN Project SEARCH wages by age



Our interns work **25 hours per week on average**, significantly more than the government definition of 16 hours per week for a full time job. The average hourly wage was £8.73 which is above the National Living Wage for all age groups.

Types of jobs in the past four cohorts



DFN Project SEARCH's commitment

We remain fiercely committed to our critical success factors and believe that 100% of each class can achieve full time, non-seasonal, paid employment in an integrated workplace within nine months of graduation.

We only consider **employment** as a successful outcome because:



Wellbeing

Paid work enables people to achieve financial, emotional and social independence.



Health

Employment is associated with better health.



Financial savings

Thousands of pounds can be saved from taxpayers' money when people with a learning disability are working.



UK economy

A rise of 5% in the disability employment rate (not only those with learning disability) would lead to an increase in Gross Domestic Product of £23 billion by 2030.



Sue Hannon,
Assistant Principal,
Furness College

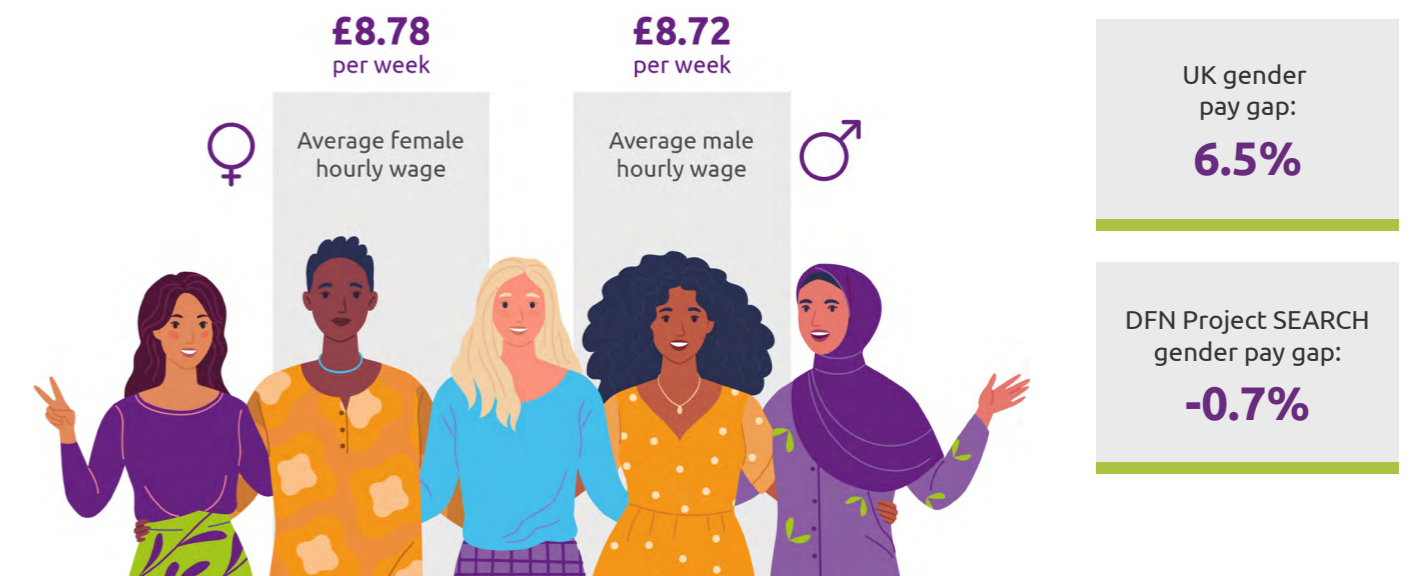
"I wanted to bring DFN Project SEARCH to Furness because I know that you are the best in this field and you share my passion for change, and I only want the very best for our students."



Spotlight on women

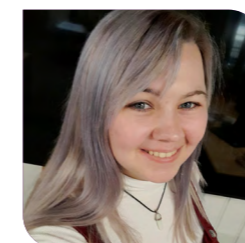
We are delighted to share that our programme has achieved **gender pay parity**. The proportion of women enrolling in the programme is also higher than the proportion of those with an Education and

Health Care Plan (33% against 28%). We were also pleased to learn that sites are employing strategies to enrol more women and ensure families are fully aware of the key role they play in the success of interns.



We have identified, however, that women have slightly lower employment rates and work fewer hours per week on average. We are finishing a piece of research on that and our findings (which will be relevant for the

whole sector) will be published in late 2022. This will inform strategies to ensure women work the same number of hours and have the same employment rates.



Tegan Mulby,
DFN Project SEARCH Graduate and Youth Advisory Group member

"My experience at DFN Project SEARCH has been extraordinary as I got to meet so many people from different countries and cities. For example, the CEO of my host business, Helen, asked me if I could speak at a national webinar for housing associations and I spoke naturally about my daily life and work experience at Calico Enterprise. I was confident and answered lots of questions."

Our contribution to Environmental, Social, and Governance (ESG)

There is a growing awareness of the impact companies have on society and the environment. Governments and companies need more than ever to demonstrate that they give more than they take, both at the societal and environmental levels. Companies are starting to realise that promoting social good is good for business.

A telling example are the Mars Chocolate UK adverts centred on disabled people. The series of adverts celebrating diversity and resilience is the firm's most successful advertising campaign in ten years¹.

While ESG is not a new concept, it has become a top priority for many organisations. ESG investment is predicted to reach US\$1 trillion by 2030. While there is understandable scepticism considering the many unfilled "green" promises, there is also opportunity to make real, positive changes.

We at DFN Project SEARCH believe we can make a valuable contribution. Our employment oriented, business led programmes have been supporting hundreds of young people to achieve emotional, social and financial independence every year.

As a data driven organisation, we systematically collect our data and share it widely, unafraid of recognising areas for improvement. As our partners recognise, we can certainly help organisations to deliver positive social change.



Spotlight on business (ESG)

Businesses are a key part of our model. Internships take place in a business, are based on real life work experience, and, of course, our goal is to support interns to find employment in the host business or externally.

Our business partners and employers not only play a key role in creating life changing opportunities for young people with a learning disability, autism spectrum

condition, or both, but also benefit from a qualified, untapped workforce that stays longer in the job, performs their tasks as well as other staff and boosts the morale of teams².

And that is not all. As summarised in the chart below, DFN Project SEARCH delivers a number of additional financial and reputational gains for partner organisations.



¹ <https://www.thedrum.com/news/2017/04/05/maltesers-ads-featuring-disabled-actors-prove-be-most-successful-advert-the-brand-10>

² <https://www.forbes.com/sites/forbesbusinesscouncil/2021/12/03/seven-reasons-why-hiring-people-with-disabilities-is-good-for-business/?sh=4ec44fc81832>

Diversity and equity champions

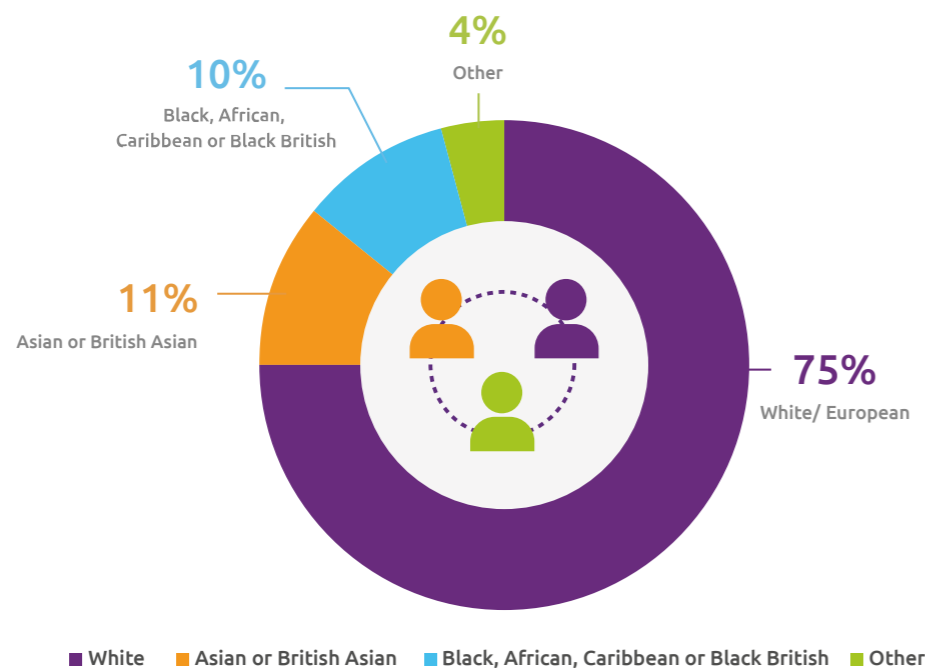
Year after year our interns have the same outcomes regardless of their ethnic background. Even during the pandemic that hit ethnic minorities harder, diversity and equity continued to be a key part of our programmes.



Enrolment rates for all ethnic minorities were higher than the actual population proportion as Asian/ British Asian represent 7% of the UK population, Black, African, Caribbean or Black British represent 3% and other ethnic groups represent 3%.

Interns also had statistically the same employment outcomes and worked in similar roles and sectors, regardless of their ethnic backgrounds.

DFN Project SEARCH enrolment by ethnicity



“

The ensuing pandemic has thrown a harsh light on the fact that certain communities find themselves at the sharper end of systems, with no safety net to fall back on. Indeed, for people with a learning disability and those racialised as Black or an ethnic minority, life both before and during the pandemic will have been particularly hard.



DFN Project SEARCH, however, is a beacon of hope for young people with a learning disability who are from a Black or ethnic minority backgrounds. I am particularly delighted to see the DFN Project SEARCH programme launch in Lambeth for the first time. For such an ethnically diverse borough, whose communities were hit hard by the pandemic, the programme is a lifeline providing disabled and young people from ethnic minorities with long-term stable employment and the opportunity to live happy, healthy and fulfilling lives.”

Yasmin Ibison, Employment Programme and Partnerships Manager Black Thrive Lambeth



Spotlight on the NHS



The NHS provides better care when the people employed in its services reflect the diversity of the communities that we serve. The NHS Long Term Plan recognises that the employment rates for people with a learning disability or autism spectrum condition or both have remained low for many years.

It commits to increasing the number of people with a learning disability and/ or autism employed in the NHS and to building workplaces where people feel confident in signalling their needs to leadership. One of the best ways of creating a sustainable pathway to work for people with a learning disability, and/ or autism is through the provision of high quality supported internship programmes leading to meaningful employment.

NHS England and NHS Improvement and Health Education England have partnered, with support from NHS Employers, with DFN Project SEARCH in 2021 and 2022 to create 42 new DFN Project SEARCH programmes in Trusts across England.

This partnership will create **long lasting change** for the young people who are on the programme, for their families, for their communities and for the Trusts which gain access to this largely untapped talent pool and create richer diversity in its workforce. NHS England and NHS Improvement is particularly proud of the achievements made during an exceptionally difficult two years, where we saw 69 interns secure essential, front line jobs supporting the NHS pandemic response.

We can build on this contribution further by adding these new programmes for young people to access.



Dr Leander Neckles,
Patient Equalities Lead



NHS data



55% of all interns from the 2019/20 cohort were in NHS sites.



69 Interns were employed by NHS in total.



83% of those had full-time, integrated, non-seasonal jobs paid at the prevailing wage.



27H
Interns employed by the NHS worked on average 27 hours per week.
That is two hours more per week than the average of other employers.



£9.14
£9.14 was the average hourly wage even though most interns employed were not in London.
That is significantly more than what other employers paid on average (£8.21).



Listening to our partners

This is the second year we reached out to our partners to find out their views about DFN Project SEARCH. We are thrilled to learn that **excellent** ratings increased for all

aspects: services, support from staff, added value, training, resources, networking and communication. Our partners rated us as world class and told us that:

Our partners...

97%

agree that the programme is **high aiming**.

94%

agree that we are a **professional** and **respected** organisation.

93%

agree that we **achieve results**.

83%

agree that we are committed to **continued improvement**.

A world class Net Promoter Score (NPS)

Our Bain & Co NPS score went from 66% (excellent) to 72% (world class!).

As a comparison, Apple has a NPS of 47, Nike 30, American Express 29 and Disney -7. The average score of more than 150,000 organizations is 32.



72%

Our new digital offer: INSET days

In 2020 and 2021, we invested heavily in digitalising our offer and supporting stakeholders. This included setting up regular Communities of Practice through INSET days each term. This allows all partners the opportunity to access additional training, share their own best practice, and make connections right across the DFN Project SEARCH international community.



We had amazing feedback from our partners who attended the INSET days in September and December 2021. Overall satisfaction was incredibly high and was corroborated by positive comments.

Based on suggestions from participants, in 2022 we will cover: Access to Work funding, how to support families to support interns, safeguarding, and networking with people from other sites.

Was this INSET day well planned?



Was the content relevant to your role?



Our partners said that in the past year DFN Project SEARCH has...

- Impressively responded to the pandemic
- Been in touch with the global employment market for people with learning and special needs
- Improved structure and liaison with partners
- Followed up on suggestions and provided updates
- Improved communication and dissemination of resources

Supporting our sector

During 2021 we were able to collaborate with Ofsted looking at how inspectors could assess the quality of outcomes for learners doing a supported internship.

We know that inspectors will evaluate learners' progress in relation to their starting points, based on their rate of learning, acquisition of knowledge, skills and behaviours, and whether they have achieved their individual, challenging targets.

They will also take account of data about the destinations learners go to when they leave the provider. Together we explored and celebrated the different data captures we use across the DFN Project SEARCH model to collect unique and compelling evidence of the acquisition of knowledge, skills for employment, and work ready behaviours for each intern.

This enables all partners to track this throughout the internship year, as well as collect and track the long-term designation data for each cohort. We were also able to provide useful advice around how this could inform the SEND Area Review Inspections, as well as what a high aiming employability curriculum could look like across all key stages.

DFN Project SEARCH feels well equipped to support all partners to prepare for and provide evidence for an Ofsted inspection.

We were delighted to support the Department for Education when writing the updated guidance document for Supported Internships. This will be published in 2022 and places a greater focus on the outcome of paid employment.

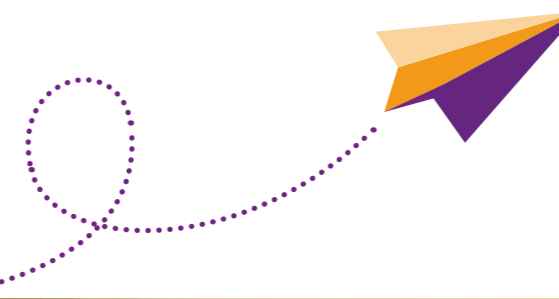
In March 2021 we saw the publication by the CSJ, "Now Is The Time", a ground-breaking report designed to feed into the Prime Minister's National Strategy. DFN Project SEARCH contributed to the chapters on Education and Employment, and our Executive Chair, David Forbes-Nixon was the Deputy Chair of the Commission.

The CSJ Disability Commission wants to reduce the disability employment gap by seeing the introduction of mandatory workforce reporting, which it believes is a vital step in bringing greater transparency and a level playing field for measuring progress made.

The five key recommendations set out by the Commission are:

- Increasing supported routes into employment
- Introducing mandatory employment and pay gap reporting
- Leveraging Government procurement
- Reforming the Government's Disability Confident scheme
- Reforming the Government's Access to Work scheme

The Commission's report argued that a central feature of the Government's National Strategy for Disabled People must be the inclusion of robust measures focused on improving disabled people's employment prospects. It argues that until employment disadvantage is addressed, disabled people will continue to face social exclusion, financial hardship, and reduced well-being.



International conference

Bringing people together in a pandemic was challenging for obvious reasons, but we were thrilled to be able to collaborate with our US peers and offer all DFN Project SEARCH sites a place at our three day International Conference.

Attended by over a 1,000 delegates from across the globe, professionals from education, local government, business, and supported employment had access to an array of conference sessions exploring new research and evidence based best practice in transition to employment provision.



Guided by our interns and graduates

The DFN Project SEARCH Youth Advisory Group aims to give a voice to our interns and graduates and to give us unique feedback around various items. The group has recently been working on creating and delivering two different types of training for employers: one around inclusive recruitment and one for managers around how to provide meaningful ongoing support.

The recruitment process for the Youth Advisory Group saw interns right across the UK creating short videos explaining the difference that they wanted to make to the DFN Project SEARCH community, and

wider. We had an amazing response and were delighted to see the passion and drive of the young adults who applied. We look forward to co-producing the October 2022 DFN Project SEARCH conference with these special advisors.

Harry Georgiou joined DFN Project SEARCH in September 2021 as Youth Advisory and Co-Production Assistant and was proud to join a team that matched his beliefs and values. He has experience of standing up for equal opportunities for the disabled community and has used this experience to help set up the Youth Advisory Group at DFN Project SEARCH.



“I have a lived experience of a learning and physical disability and I understand the barriers that the disabled community face. Having gone through a special school education and then a supported internship myself, I have a deep insight into what this community goes through every day. I have worked to break down the barriers that face disabled people since the age of 14, when I really developed my passion to make a difference in this space”.

Harry Georgiou, DFN Project SEARCH Youth Advisory and Co-Production Assistant



What the future looks like

In 2020 we set the audacious goal of supporting 10,000 young people with a learning disability, autism spectrum condition, or both, into paid employment by 2030 and 20,000 by 2035.

Having done extensive research into areas of the country with an unmet need, we have focused our growth on four regions: London and South East, West Midlands, North West, and Scotland.

During 2021 the team worked on opening over 35 new sites for September 2022, which will involve up to 140 new partners and will offer over 1,000 interns the life changing opportunity of getting a job.



New sites in a global pandemic

While about 60% of employers in the UK surveyed in a study during the pandemic cancelled some or all of their placements, DFN Project SEARCH opened 15 new sites in the height of the pandemic*.

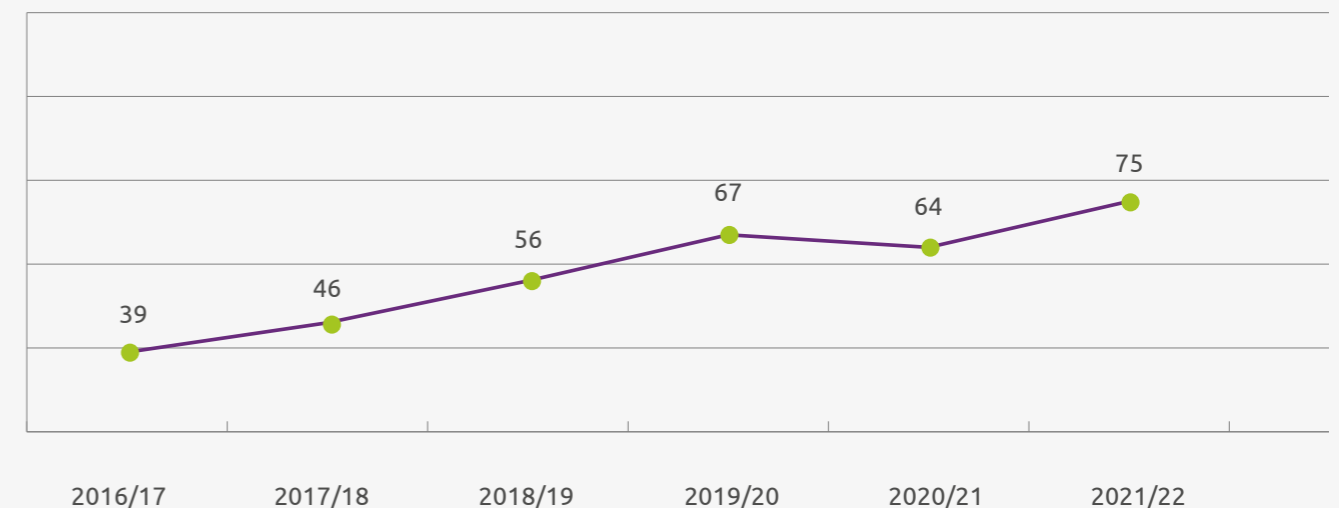
Even in the worst hit cohort so far (2019/20), **209 interns secured jobs**. Many of those were key workers who took frontline roles in sectors such as healthcare, retail, and logistics.

We have been growing on average 15% per year and expect to see nearly a 50% growth in 2022/23 in relation to 2021/22, despite the ongoing effects of the pandemic.

* Some sites had to go on hiatus due to the pandemic



Number of programmes



Healthcare



Funding innovative myeloma research

The DFN Foundation is proud to be supporting **Myeloma UK** and the **Institute of Cancer Research (ICR)** in London through the establishment of The Jacquelin Forbes-Nixon Fellowship.

The DFN Foundation is investing £1 million over a five to six-year period in support of Myeloma UK's broader research strategy and collaboration with the ICR.

“

“In 2021, myeloma patients and their families moved into a second year of uncertainty as a result of Covid-19. Myeloma UK recommitted our additional pandemic investment and went further than before to help patients to connect with the clinical and support services they badly needed.

At the same time, additional challenges were being felt at diagnosis stage due to the pressure on GP services. Myeloma patients already wait longer than most cancer patients before correct diagnosis. To help GP's identify myeloma and distinguish it from conditions with similar symptoms, we published a new guide, *Myeloma and MGUS – A Guide for GPs*, launching it to great reception across medical conferences and getting it straight into GP surgeries across the UK”.

Myeloma UK continued to respond to every myeloma health technology

appraisal in 2021 and began the year finally seeing approval of lenalidomide maintenance post stem cell transplant as a treatment line.

“Our work in 2020, when we refused to take no for an answer and continued to push for this breakthrough moment in myeloma treatment, paid off for patients. And for hundreds of high-risk patients, the MUK nine trial results, funded by the Jacquelin-Forbes Nixon Fellowship and led by Dr Martin Kaiser, brought us a huge step closer to myeloma treatments being genuinely tailored to patients' needs. We are already beginning our work to ensure patients can access these transformational treatments as soon as possible.

This year, patients can directly see how the DFN Foundation's investment is driving a hopeful future for the myeloma community across the UK”.

Jacquelin Forbes-Nixon Fellowship

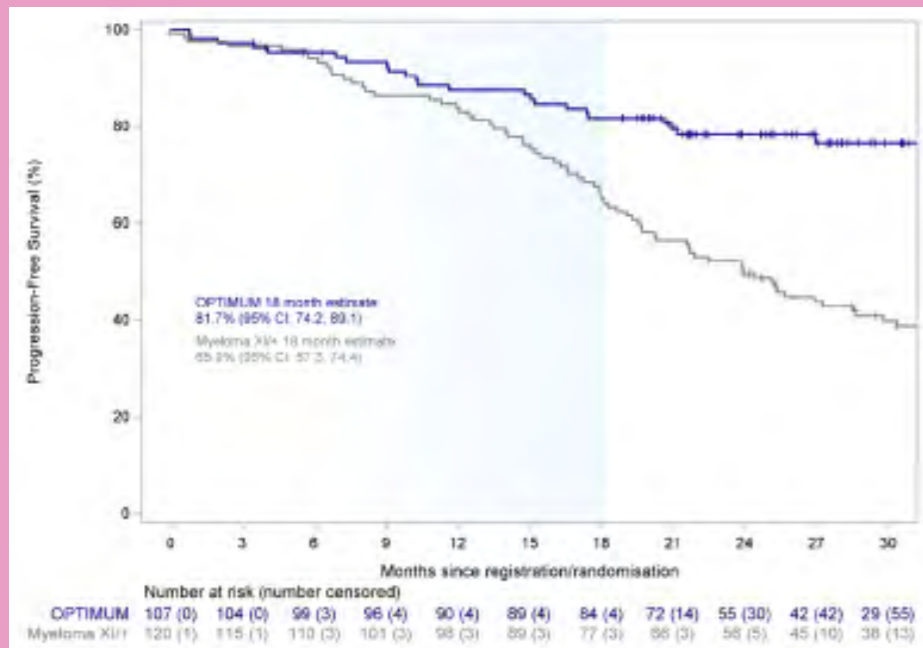
What we have accomplished:

The Jacquelin-Forbes Nixon Fellowship is providing essential support for Dr Kaiser as Chief Investigator of the OPTIMUM (MUKnine) trial and his team's research on the molecular structure of high-risk myeloma. The following milestones were achieved in 2021:



Dr Martin Kaiser

- The primary endpoint analysis of the OPTIMUM trial has been successfully completed: patients with high-risk myeloma treated with risk-adjusted, personalised therapy in OPTIMUM had a better outcome (progression-free survival) than patients treated conventionally.
- The figure below is showing the main finding of the primary endpoint analysis: the progression-free survival of high-risk patients in OPTIMUM (blue curve) has been uplifted through personalised therapy in comparison to that of patients treated with conventional, non-personalised therapy (grey curve) from the Myeloma XI/+ trial.



- This is the first time that a trial designed for high-risk myeloma patients has shown a comparative improvement in outcomes.
- Results of this analysis were selected for an oral presentation and shown at the prestigious Annual Meeting of the American Society of Hematology (ASH) 2022 in Atlanta, USA:
 - » <https://ash.confex.com/ash/2021/webprogram/Paper144990.html>
- These extremely positive results found wide attention in the myeloma patient and physician community, as evidenced by healthcare social media pickup:
 - » <https://www.youtube.com/watch?v=Hv3n-NGbsa0>
 - » <https://www.vjhemonc.com/video/6wfwchxc-ue-muk-nine-b-update-dara-cvrd-induction-plus-dara-vrd-consolidation-for-ultra-high-risk-ndmm-and-ppcl/>
 - » <https://bpno.fi/medtalks/clinical-results-from-the-uk-optimum-muknine-trial/>
- Results also found attention for a wider audience in an article by the Daily Mail Online:
 - » <https://www.dailymail.co.uk/health/article-10381737/New-five-drug-cocktail-treat-deadly-bone-marrow-cancer.html/>
- A scientific manuscript for publication is currently being submitted to a peer-reviewed scientific journal. Further analyses of patient trial outcomes are now mapped out for the next years and will provide further insights into improved care for high-risk myeloma patients.
- Based on the positive results, work with Myeloma UK and other partners is ongoing to translate findings into better access to diagnostics and treatment for patients in the UK and elsewhere.
- Established a new international collaboration into the genetics of high-risk myeloma which resulted in a peer-reviewed publication on one of the large meta-analyses in this field to date (Weinhold et al, Haematologica 2021).





The following **articles** on research into high-risk myeloma with support from the DFN Foundation were published in international, peer-reviewed scientific journals:

- Oliva S, Kaiser MF. Is it time to tailor treatment on the basis of minimal residual disease in multiple myeloma? *Lancet Haematol.* 2021 Dec;8(12):e876-e877.
- Weinhold N, Salwender HJ, Cairns DA, ..., Kaiser MF. Chromosome 1q21 abnormalities refine outcome prediction in patients with multiple myeloma - a meta-analysis of 2,596 trial patients. *Haematologica.* 2021 Oct 1;106(10):2754-2758.
- Brown S, Sherratt D, Hinsley S, ..., Kaiser M; Myeloma UK Early Phase Clinical Trial Network. MUKnine OPTIMUM protocol: a screening study to identify high-risk patients with multiple myeloma suitable for novel treatment approaches combined with a phase II study evaluating optimised combination of biological therapy in newly diagnosed high-risk multiple myeloma and plasma cell leukaemia. *BMJ Open.* 2021 Mar 24;11(3):e046225.
- Croft J, Ellis S, Sherborne AL, ..., Kaiser MF. Copy number evolution and its relationship with patient outcome-an analysis of 178 matched presentation-relapse tumor pairs from the Myeloma XI trial. *Leukemia.* 2021 Jul;35(7):2043-2053.

Collection of biomaterial from patients enrolled in the trial is ongoing.

In-depth analyses of molecular features of high-risk myeloma from OPTIMUM using state-of-the-art whole genome sequencing methodology have started and will be continued over the coming years.



Conservation



Let's save the British butterfly together

The DFN Foundation is committed to ensuring the survival and reintroduction of some of the rarer species of the British butterfly. For us, it's not just about saving a few species from going extinct but keeping the equilibrium of our ecosystem in place.

Key aims of the DFN Foundation

01

To follow research providing targeted small-scale **financial support** to nature conservation groups within the South East.

02

To consider the provision of targeted funding for **school resource materials** in support of conservation group work in schools.

03

To review the making of an annual grant to the new **Butterfly Conservation Charity** to help it establish its programmes.

How the DFN Foundation plans to achieve its vision

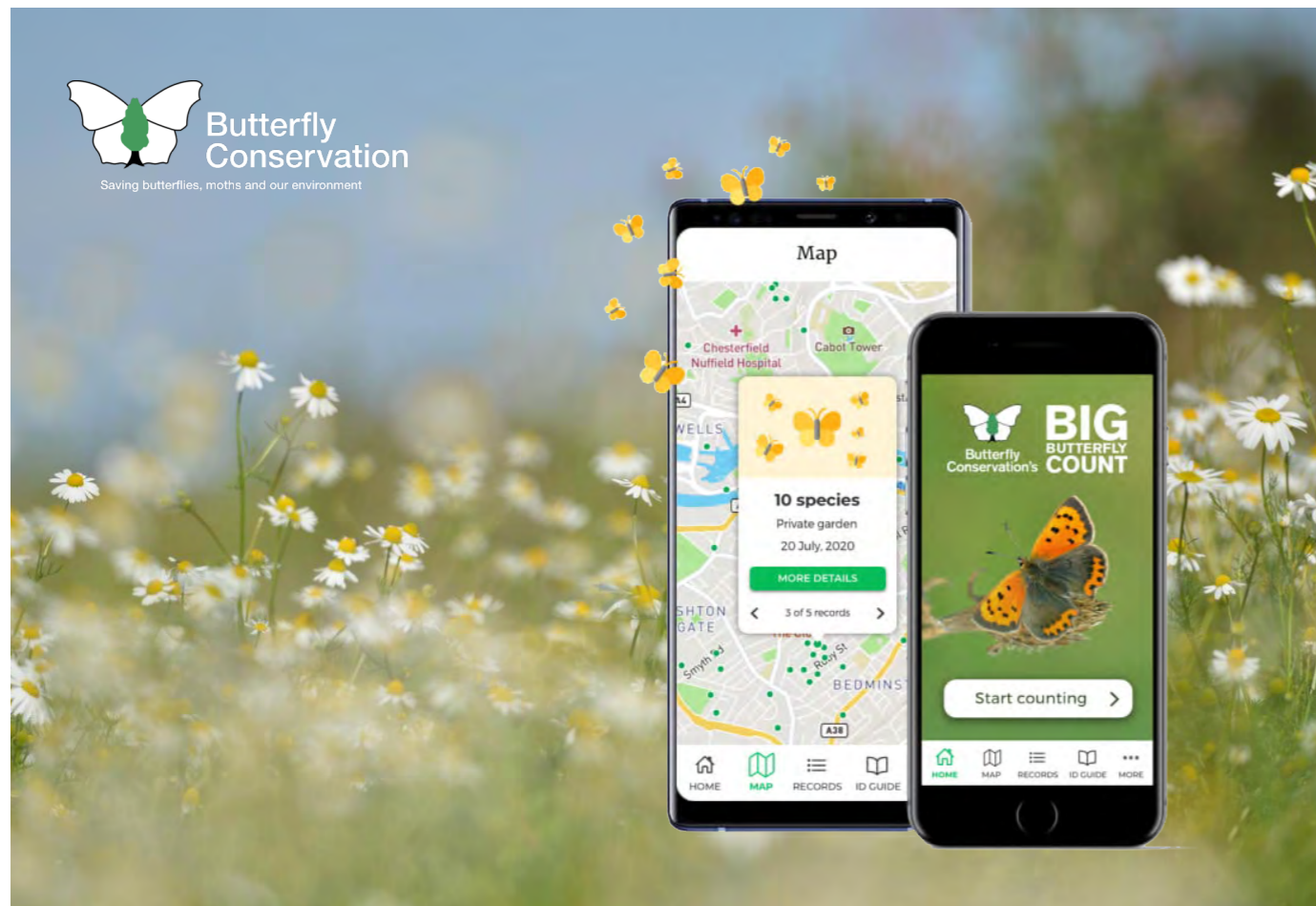
- Working with others to **raise awareness** of the need to secure butterfly habitat and why it would be helpful for our environment and ecosystem.
- Work with others to develop and implement a **schools programme** in order to raise awareness about British butterflies and the threats they face.
- Supporting the development of butterfly conservation special interest groups to reinforce and encourage a **collective effort** to save the species.
- **Reinvigorate existing woodland and farmland** through a variety of effective initiatives to halt the decline of some of our rarest species.
- Raising awareness and encouraging **local communities** in the affected areas to work with landowners to revive these areas and support butterfly habitat.



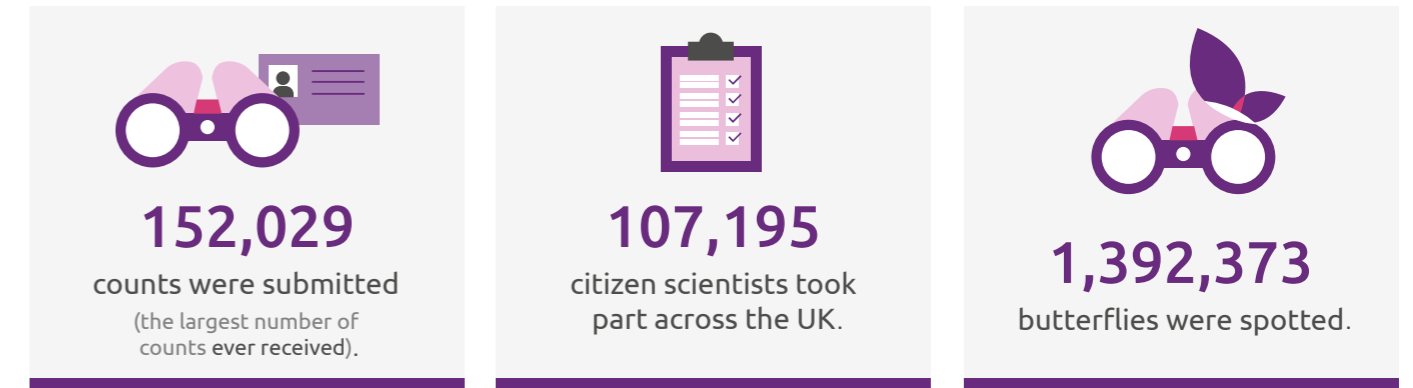


“The DFN Foundation has committed a total of £50,000 over three years to support Butterfly Conservation’s (BC) annual Big Butterfly Count campaign in 2020, 2021 and 2022. This money enables BC to keep investing in the growth of the campaign and data collection across all our media channels and it is the single biggest opportunity for BC to recruit new supporters each year”.

The Big Butterfly Count is the biggest citizen science programme of its kind in the world and forms a crucial part of Butterfly Conservation’s data modelling each year. This, in turn, informs key conservation and policy decisions around biodiversity and species conservation/ rescue. At a time when nature is increasingly in crisis, the opportunity to engage with the public on such a large scale is invaluable in raising BC’s profile and conservation message as well as increasing revenue through memberships.



In 2021...



The DFN Foundation’s funding enables the campaign to grow year on year:

- Big Butterfly Count 2021 saw the number of species counts submitted exceed the previous year’s total by 5%.
- The greatest daily count ever was on Saturday 17 July 2021 (the day after launch) when 13,808 counts were submitted.

functioning. By keeping the technology accessible the campaign is growing in impact.

- **Website:** a total of 81,754 (13,034 in 2020) people visited the Species ID chart pages on the Big Butterfly Count website in 2021. A total of 54,759 ID charts were downloaded.
- **App:** on the iOS app there were 113,000 (82,576 in 2020) lifetime installs. On the Android app there are 24,902 (16,533 in 2020) devices where the app is currently installed.

Funding from the DFN Foundation enables us to maintain and keep the Big Butterfly Count website and app up to date and fully



We also use the funding to support publicity about the campaign which was extremely successful in 2021.

What did we learn from the Big Butterfly Count, 2021?



Small Tortoiseshell - Iain H Leach

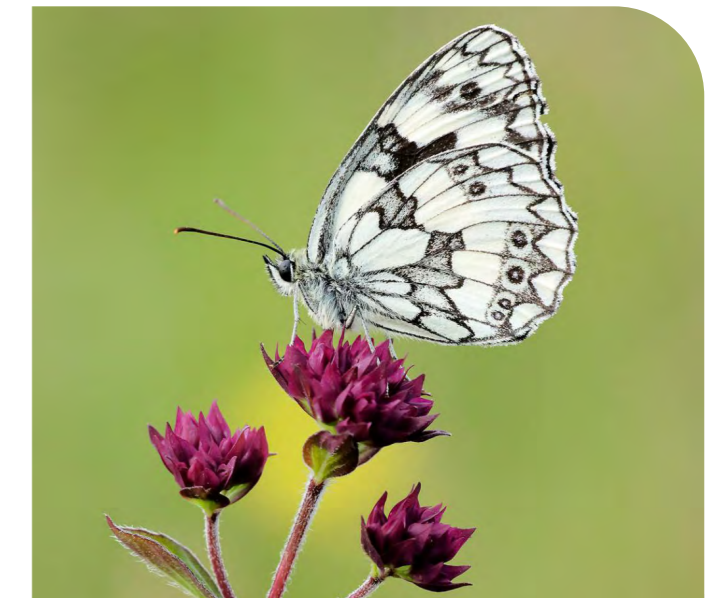
Worryingly, the decline in the number of butterflies and moths across the UK is continuing, with the overall number of butterflies recorded per count at its lowest level since the Big Butterfly Count began 12 years ago.

The nation's love of butterflies isn't diminishing. Despite the low butterfly numbers, and relatively poor weather, more butterfly counts were submitted than ever before. Over 150,000 counts were registered, representing more than 38,000 hours of butterfly counting in gardens, parks, and the countryside.

Some of the UK's most-loved species including the Small Tortoiseshell and Peacock butterflies dropped in numbers this summer. The iconic Peacock butterfly suffered its lowest numbers since 2012. The Small Tortoiseshell, once a frequent visitor to gardens in the UK, had its third worst summer in the history of the Big Butterfly Count, and shows a significant long-term decline in Britain.

It wasn't bad news for all species, with some, including the Marbled White and Ringlet, appearing to bounce back from their low numbers during last year's Big Butterfly Count. However, scientists at BC warn that last year's unusually sunny spring allowed them to emerge earlier, and that 2021's results are therefore more typical for these species.

This year's weather has had a significant impact on butterfly and moth species, and with more climate change related extreme weather events likely, the impact on some of the UK's most loved insects could be devastating.



Marbled White - Iain H Leach



Dr Zoë Randle, Senior Surveys Officer at BC said: "This year's results show that the average number of butterflies and moths per count is the lowest we've recorded so far. On average people counted nine butterflies or moths per count, which is down from 11 in 2020, and down again from 16 in 2019. More counts are undertaken and submitted year on year, but it seems that there are fewer butterflies and moths around to be counted."



Dr Randle explains: "Some of the UK's butterflies have more than one generation per year, meaning we would see adult butterflies in spring and summer. The majority of these double-brooded species experienced their worst year since the start of the Big Butterfly Count in 2010. Weather changes are likely to be the cause of this. March 2021 was warmer than average which would have stimulated butterfly activity. However, May was very wet which will have hampered butterfly feeding and breeding. These combined weather effects are likely to have reduced the spring generation which has knock-on effects for the second generation in the summer."

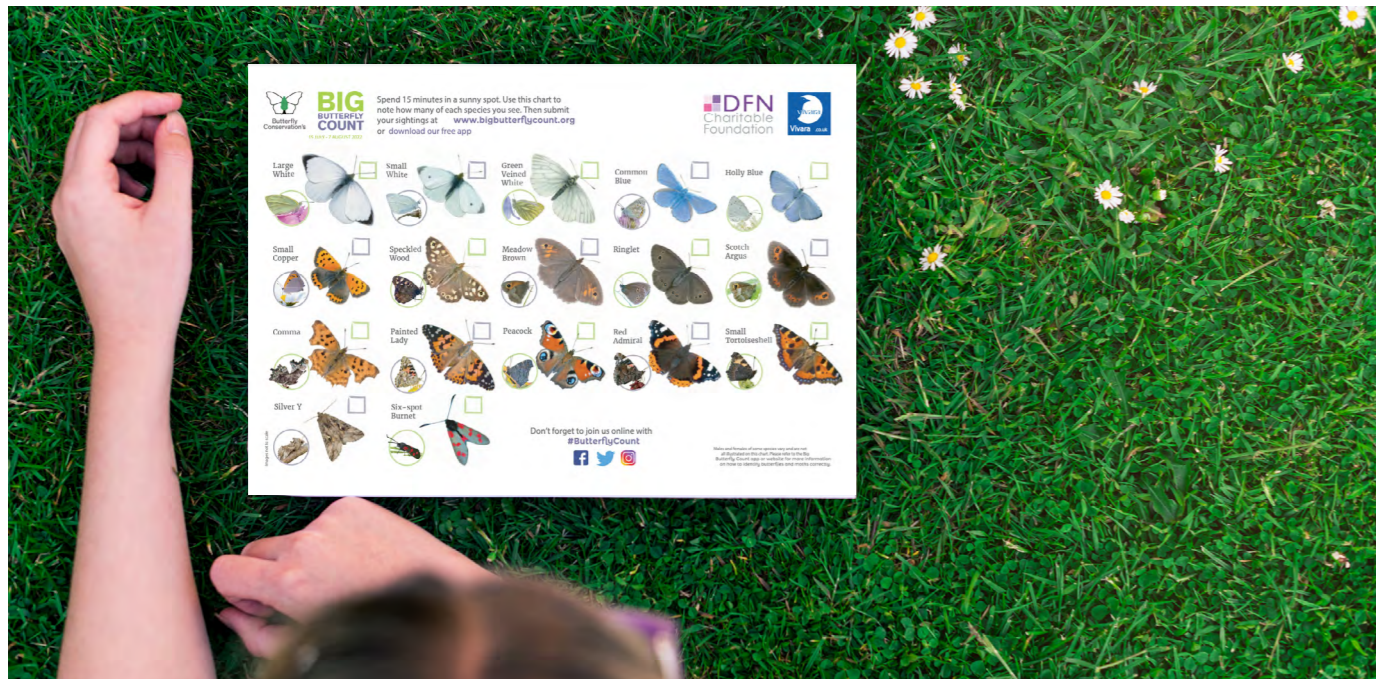
Butterflies and moths are important indicators of the health of the environment, and a decline in abundance is a serious cause for concern.



Butterfly Conservation (BC) has launched an ambitious strategy to help address the problems for butterflies and moths and be part of nature’s recovery.

Julie Williams, CEO of BC, says: “The facts are clear. Nature is in crisis, and we need urgent action, not just to prevent further species losses but to rebuild biodiversity.

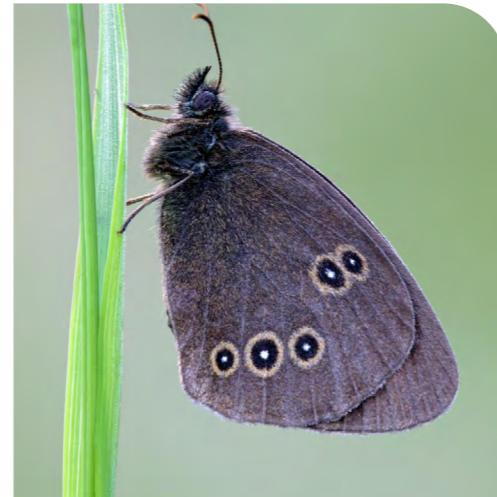
Since 1976, 76% of butterflies have declined in abundance or distribution, and the downward trend continues. We have come to accept that encounters with butterflies, moths and other wildlife are unusual, delightful but infrequent. It doesn’t have to be this way and through our new strategy BC is pledging to halve the number of threatened butterfly and moth species in the UK, double our impact on landscape restoration, and galvanise thousands of people to create new wild spaces for nature. We can’t do this alone though and are urging people to join us to create a world where butterflies and moths thrive and can be enjoyed by everyone, everywhere.”



Species results in the UK - Big Butterfly Count 2021 UK

	Big Butterfly Count 2021 UK	Abundance	Average per count	Percentage change from 2020
1	Small White	252,151	1.88	-5%
2	Large White	229,218	1.71	-16%
3	Meadow Brown	197,060	1.47	33%
4	Gatekeeper	133,726	0.99	-30%
5	Red Admiral	75,394	0.56	-10%
6	Ringlet	63,311	0.47	81%
7	Peacock	61,668	0.46	-63%
8	Small Tortoiseshell	38,543	0.29	-32%
9	Marbled White	28,704	0.21	213%
10	Green-veined White	27,784	0.21	-9%
11	Small Copper	22,897	0.17	11%
12	Comma	21,320	0.16	-32%
13	Speckled Wood	18,086	0.13	-41%
14	Six-spot Burnet	15,964	0.12	42%
15	Common Blue	14,376	0.11	-59%
16	Painted Lady	12,180	0.09	44%
17	Holly Blue	10,018	0.07	-58%
18	Brimstone	7,984	0.06	-33%
19	Silver Y	3,661	0.03	53%
20	Scotch Argus	2,326	0.02	n/a
21	Jersey Tiger	2,034	0.02	n/a
	TOTAL	1,238,405	9.21	-14%

BC has just unveiled an ambitious new strategy to combat the declines to butterfly and moth numbers that we've seen in the results of the Big Butterfly Count 2021. You can find out more about it [here](#).



Ringlet - Heath



Trustees' Report on Financial and other Statutory Matters

For the year ended 31 December 2021

■ INTRODUCTION

Trustees' Report on Financial and other Statutory Matters

The Trustees of the David Forbes-Nixon Charitable Foundation (the DFN Foundation or the Charity) are pleased to present their Annual Report and Financial Statements for the year ended 31 December 2021 which have been prepared to meet the requirements for a Directors' Report and Accounts for Companies Act Purposes.

The Financial Statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the requirements of the Companies Act 2006, the Charities Act 2011, the Charity's Memorandum and Articles of Association and the "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

The DFN Foundation is a registered charity (number 1155919) and a company limited by guarantee (number 08906571) and was incorporated on 21 February 2014.

On 1 March 2022 the name of the Charity was changed from the DFN Charitable Foundation to the David Forbes-Nixon Charitable Foundation.

Charitable objectives

01

The DFN Foundation's governing document defines the objectives as all purposes that are exclusively charitable under the law of England and Wales.

02

The Trustees have directed the DFN Foundation to focus on four key purposes of education, employability, healthcare and conservation.

Achievements and performance

David Forbes-Nixon and the Board have set four goals for the DFN Foundation to achieve over the next ten years:

01

To create a world class special needs educational establishment at Undershaw Education Trust (Undershaw).

02

To positively influence current practice so that young people with special educational needs and disabilities receive high quality work-related learning and improved access to long term paid employment.

03

To improve survival rates of myeloma patients and advance cures through the strategic funding of high quality research.

04

To ensure survival of the British butterfly.

The work undertaken to advance these goals is set out on pages 6 to 63 of this report.

Demonstrating public benefit

The Trustees are aware of the Charity Commission guidance on Charity and Public Benefit and confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to it. The Trustees consider that the information contained within the Trustees' Report about the Charity's aims, activities and achievements in the four key areas of education, employability, healthcare and conservation demonstrates the benefit to the public.

The Trustees review the purpose, aims and activities of the Charity periodically.

When carrying out the review and planning future activities, the Trustees refer to the guidance contained in the Charity Commission's general guidance on public public benefit. In particular the Trustees consider how planned activities will contribute to the aims and objectives they have set.

Grant making policy

The DFN Foundation considers the making of grants to other organisations and institutions as part of, or to complement, its commitment to deliver its charitable objects for the public benefit. The DFN Foundation's approach to grant making is based on research by the Trustees to carefully select partner organisations and institutions which the DFN Foundation can work with to achieve its charitable objectives. It is not the intention of the DFN Foundation to invite unsolicited applications from other organisations for grant funding.

Financial Review

The Trustees wish to express their thanks to all staff, partners and colleagues who have worked hard in support of the charitable objectives of the DFN Foundation in a year characterised by the continued presence of Covid-19 and the restrictions imposed to combat the spread of the virus.

Against this backdrop the Statement of Financial Activities reports income of £407,193 (2020 £454,906) and total expenditure of £1,174,674 (2020 £1,538,705) which, after adjusting for unrealised gains on investments and other costs associated with foreign current exchange differences, resulted in a net inflow of resources of £1,782,717 (2020 outflow of £1,092,726) with a fund balance at the year end of £21,801,441 (2020 £20,018,724).

The main areas of charitable activity are:

Education

DFN MoveForward

DFN MoveForward is an employability programme built on the tried and tested work of ThinkForward, helping young people with mild to moderate learning disabilities with the aim of supporting them into sustainable paid employment.

The programme is delivered by ThinkForward. This is an innovative education based employability skills

strategy that supports students with special needs, providing individualised coaching, creating ready for work opportunities whilst promoting greater employee awareness and engagement.

Acting as lead commissioner, with match funding from the government's Life Chances Fund, and operating through a Social Impact Bond, the DFN Foundation

has committed up to £1 million to fund the programme over the period to March 2024.

The programme was originally structured so that payments were to be made to ThinkForward based on achievements within a set timeframe, but the impact of Covid-19 necessitated a review of the delivery of the programme.

The DFN Foundation has worked with ThinkForward to focus the payments to an

activities based approach until such time that the original basis can be used.

Accordingly having undertaken appropriate verification tests, the Trustees authorised the release of funds on the basis of the results on the revised (Covid Impact) basis.

As set out in note 8 these accounts include a provision of £209,060 (2020 £186,957) to meet its financial obligation on the basis of the reported results.

Undershaw

Stepping Stones School relaunched under its new name in September 2021 and is now known as Undershaw Education Trust; a UK registered charity (charity registration number 1039622 England and Wales). The original investment in the property in 2016 totalled £6,622,912. The DFN Foundation remains committed to creating a school that is inclusive and where the best interests of the child are at the heart everything.

Under the terms of the new ten year lease which commenced in September 2019, rental income of £94,381 (2020 £81,332) was received, of which £14,381 (2020 £11,332) was expended in insuring the property.

As set out in note 19 the Trustees are clear that the receipt of investment income from the property is of secondary importance to the furtherance of the benefit derived by the DFN Foundation's beneficiaries through the provision of the enhanced school building and facilities.

■ Employability

Influencing the national debate

The DFN Foundation supported the work of the Centre for Social Justice (CSJ) Disability Commission to secure a step change in the opportunities available to disabled people, especially in employment, to live their lives fully and as they want to. The CSJ Disability Commission published a report "Now is the Time" in March 2021. David Forbes-Nixon was appointed Commission Deputy Chair

of the body which was responsible for the production of the report.

Through this work with the CSJ, the DFN Foundation made a further contribution of £46,850 (2020 £55,375) to promote the work of the Disability Commission and in particular production of the report.

DFN Project SEARCH

DFN Project SEARCH (charity registration number 1183834 England and Wales and charity registration number SC049891 Scotland) was assigned the Project SEARCH master franchise in September 2019. Prior to that date the operations of Project SEARCH were administered as a restricted fund of the DFN Foundation.

The Trustees are pleased that DFN Project SEARCH has successfully developed and expanded the Project SEARCH programme whilst overcoming the many challenges imposed by the Covid-19 pandemic. A new strategic plan was developed in early 2020 for DFN Project SEARCH which is ambitious in terms of the number of young people

obtaining sustained employment (target to exceed 10,000 by 2030) and progressive in the development and focused delivery of future sites. Despite the significant challenges presented by the continued presence of the Covid-19 virus, it is expected that the number of new sites due to open will be back on track by September 2022.

The strategic plan expected that DFN Project SEARCH would move to sustainability by 2026. In approving this, and considering other current and future projects, the Trustees agreed to support the recommendation to earmark funds approaching approximately £1 million

in future support for DFN Project SEARCH over the remainder of this plan. Financial support remains dependent on a satisfactory periodic review of progress as measured against exacting key performance indicators.

Grants payable (note 9) reports donations of £500,000 (2020 £668,300) to DFN Project SEARCH.

■ Healthcare

Myeloma UK

The DFN Foundation supports Myeloma UK (charity registration number SC026116 Scotland) through the establishment of the Jacqueline Forbes-Nixon Fellowship. This entails a commitment of £1 million with an agreed timetable for payments. Following changes to the original payment schedule arising partly from the Covid-19 pandemic, the calculation of the funding commitment was revised.

The fellowship is providing essential support for Dr Kaiser as Chief Investigator of the OPTIMUM (MUKnine) trial and his team's research on the molecular structure of high-risk myeloma. The following milestones were achieved in 2021:

The primary endpoint analysis of the OPTIMUM trial has been successfully completed: patients with high-risk myeloma treated with risk-adjusted, personalised therapy in OPTIMUM had a better outcome (progression-free survival) than patients treated conventionally.

Further analyses of patient trial outcomes are now mapped out for the next years and will provide further insights into improved care for high-risk myeloma patients.

As set out in note 23, the remaining funding commitment to Myeloma UK is £534,060 (2020 £621,329) which is expected to be utilised by the end of 2023.

■ Conservation

Big Butterfly Count

The DFN Foundation was the co-sponsor of the Big Butterfly Count in July 2021, the world's biggest survey of butterflies, with over 107,000 participants taking part and over 150,000 counts.

This is the second year of a three year commitment totalling £50,000, or £16,667 annually. As no invoice was received in 2021 the commitment for this year is included in other creditors.

Other income and raising funds

Against the backdrop of the impact of Covid-19 on financial markets, and as set out in note 5, the Board noted income from investments of £185,348 (2020 £226,123), which has been utilised in the funding of the charitable activities.

For expediency the DFN Foundation had agreed that DFN Project SEARCH would share its office facilities, for which the DFN Foundation recharged costs to DFN Project SEARCH of £5,710 (2020 £45,629) as set out in note 6. The office lease has not been renewed.

Following the appointment of Claire Cookson as CEO of DFN Project SEARCH, the DFN Foundation also recharged employment costs reflecting the time that the CEO devoted to DFN Project SEARCH of £116,254 (2020 £73,140) as set out in note 6.

Of the costs relating to raising funds £44,559 (2020 £39,800) represents fees paid to Royal Bank of Canada for their management of part of the investment portfolio as set out in note 7.

Use of resources

It remains the intention of the Trustees to maintain unrestricted reserves, held primarily within a portfolio of investments, not only as a core fund as detailed in the investment policy but to provide resources which can be called upon as the Trustees explore how best to move the DFN Foundation forward, working with other organisations as necessary towards fulfilling its long term charitable goals.

At the balance sheet date the DFN Foundation held funds of £21,801,441 (2020 £20,018,724). Of this £398,463 (2020 £607,523) represents the balance of the restricted funds held. In addition £534,060 (2020 £621,329) of funds are set aside in respect of commitments made for Myeloma UK; details of both restricted and designated funds are set out in notes 28 and 29.

The investment in Undershaw after the application of depreciation stands at £6,761,309 (2020 £6,782,066) at the balance sheet date.

To satisfy themselves that sufficient free reserves are available to meet all expenditure and commitments as they fall due, the Trustees regularly review the resources that have been committed or earmarked over the medium term. In addition, in assessing future projects and the resources which may be absorbed, the Trustees also maintain a review over

income that may be expected to arise (with a reasonable degree of certainty) over the same period. In this respect the Trustees again acknowledge with gratitude the potential for a future income stream made available to the DFN Foundation by the Executive Chair as set out in note 25.

As noted above the Board has earmarked funds to support DFN Project SEARCH over the medium term of a sum approaching £1 million.

The Trustees note that free reserves (after having regarded for all sums already committed or earmarked for future projects) total a sum approaching £5 million (2020 £4.5 million) inclusive of readily realisable investments and cash reserves. The Board is satisfied that the level of free cash reserves (in cash or readily realisable investments) remains prudent given the continuing presence of Covid-19 and other economic uncertainties.

The Board also wishes to again express its appreciation to those who have provided administrative support to the DFN Foundation on a voluntary basis. Due to the flexible nature of the hours worked and the tasks performed, the Board considers that the value of the support provided by the volunteer cannot be measured reliably. The DFN Foundation's accounts do not therefore reflect a value for donated administrative services.

Investment policy

It remains the policy of the Board to invest funds not immediately required for ongoing projects (and to fund the commitments detailed in notes 27 to 29 through income generation and capital growth) within a portfolio of investments. Investments are made to maintain sufficient liquidity to meet the aforementioned commitments as they fall due.

In the selection of investments the Board draws on its collective experience and knowledge of the financial markets to provide the balance of good quality income generation and capital growth without geographical, currency or sector restriction.

It remains the Board's objective, over the medium to long term, to build on

the existing portfolio to create a core fund capable of delivering good quality investment returns and growth to fund existing and future charitable projects.

At the year-end, after the generation of investment income (other than rental income) of £185,348 (2020 £226,123) and having enjoyed net realised and unrealised gains of £2,525,762 (2020 £37,249) the DFN Foundation held investment funds valued in total at £14,469,259 (2020 £9,961,473).

Generally the Board considers that the performance of the funds has been satisfactory, although the rate rising environment will dictate a different investment approach in 2022.

The key risks that currently face the DFN Foundation and principal mitigating strategies are:

- Safeguarding failure or adverse regulator opinion. The Trustees keep quality at the forefront of its strategy.
- Maintaining investment performance to deliver on the investment objective. The Board collectively has significant experience of the financial markets (as detailed below) to ensure informed judgements are made in the selection and management of the portfolio.
 - David Forbes-Nixon has over 30 years' experience in financial markets and has only recently retired as Chairman and Chief Executive at Alcentra, a large asset manager (circa US\$34 billion) in the sub-investment grade credit space.
 - James Dickson has over 23 years' experience as an investment manager.
- The day-to-day management of the ongoing projects is undertaken by the CEO (and advisors as necessary) whilst overseen by the Executive Chair. The Board remains of the view that this hands on approach serves to identify and respond to any issues that may arise as projects progress. In addition the close involvement of the CEO and oversight by the Executive Chair enables them to be fully appraised of any events which might give rise to unwelcome attention and hence reputational risks.
- Selection of projects to deliver the charitable objectives. The agreed criteria by which the Board judges future projects is set out below, aided by the setting of clear objectives with all partner organisations and monitoring and reporting progress against such agreed criteria. This underlines the Board's established approach in the careful selection of advisors and partners with appropriate experience and a proven track record within their specialist sectors.

Risk management

The DFN Foundation's risk management policy is based around an overarching risk management register. The register identifies the key risks that the organisation is, or potentially could be, exposed to, and establishes a practical risk assessment process and the operational mitigation tasks that emanate from it. Responsibility for each class of risk is reflected within the register.

The Trustees and CEO regularly review the register to address any changes in the likelihood and impact of each risk and risk mitigation measures are considered.

The register is updated periodically to reflect new and changing risks.

The approach of the Board in the selection of projects to provide the most positive impact for the beneficiaries is to address the following key questions:

- How many people will benefit and by how much?
- Is this the most effective thing that we can do?
- Is this area neglected?
- What would happen if we were to do nothing?
- What are our chances of success and how good will our success be?

Diversity

Respecting diversity is one of the DFN Foundation's key values and we are committed to being an inclusive organisation where diversity is welcomed and valued. The DFN Foundation, through its support for relevant organisations, strives to promote a culture where people treat each other with mutual respect regardless of age, disability, gender, marital or civil partnership status, pregnancy and maternity, gender reassignment, race, religion and belief or sexual orientation.

Structure, governance and management

The Charity is a company limited by guarantee, incorporated on 21 February 2014 and registered as a charity on 24 February 2014. The Charity was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

The Board of Trustees is responsible for the overall governance of the Charity and meets as a Board at least three times a year. In addition two sub-committees have been established which are responsible for reviewing the investment portfolio and monitoring safeguarding measures; the sub-committees meet at least twice a year.

The Trustees, who are also directors for the purposes of company law, and who have served since the end of the previous year (unless indicated otherwise) are:

- Mr David Forbes-Nixon – Executive Chair
- Mr James Dickson
- Mr Simon Konsta
- Mr Eric Low
- Mr Norman Stromsoy
- Ms Tina Scott (appointed 19 May 2021)

The number of Trustees shall not be less than two.

None of the Trustees receive remuneration or other benefit from their work for the Charity, other than trivial gifts as set out in note 10. Expenses incurred by the Trustees in the performance of their duties are reimbursed. None of the Trustees has any beneficial interest in the company. All the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The Board of Trustees administers the Charity. In doing so the Trustees have delegated the day-to-day administration of the Charity to the Executive Chair, Mr David Forbes-Nixon. Trustees receive regular reports on the progress of the projects in hand and meet (formally as noted above and via telephone/ virtual meetings) to discuss progress, future projects and to approve current and future expenditure and the funding thereof.

As described above the Charity is working in partnership with an existing school, Undershaw, in pursuance of the educational objective. David Forbes-Nixon and Claire Cookson, CEO of the DFN Foundation, are both Trustees of Undershaw. David Forbes-Nixon is also a Trustee of DFN Project SEARCH.

Mr Norman Stromsoy is a Trustee of the Himalayan Youth Foundation UK.

Trustee selection and induction

The Trustees regularly review the composition of the Board and its various sub-committees. When a vacancy arises the Trustees look at the blend of experience and skills of Trustees to ensure that these meet the needs of the Charity, and instigate a recruitment process if required. This will involve advertising both locally and nationally as well as more informal approaches to individuals who have the relevant skills and experience.

All new Trustees are invited to attend induction training with the Chair and CEO. New Trustees are briefed on their legal obligations under charity and company law, on their role and responsibilities as Trustees, the Charity Commission guidance on public benefit, the content of the governing document, the decision making process, the business plans and recent financial performance of the Charity.

Statement of Trustees' responsibilities and corporate governance

The Trustees, who are also the directors of DFN Foundation for the purposes of company law, are responsible for preparing the Trustees Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 Charity and of the incoming resources and application of those resources, including the income and expenditure, of the Charity for that period.

In preparing these statements, the Trustees are required to:

01

Select suitable accounting policies and then apply them consistently.

02

Observe the methods and principles in the Charities SORP.

03

Make judgements and accounting estimates that are reasonable and prudent.

04

State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

05

Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity 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 Charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

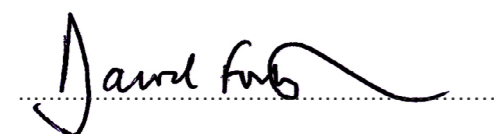
■ Auditor

Dixon Wilson Audit Services LLP were appointed as auditor to the charitable company and a resolution proposing that they be re-appointed will be put at a general meeting.

Disclosure of information to the Auditor

The Trustees who were in office on the date of the approval of these financial statements, having made reasonable enquiry, have collectively confirmed that, as far as they are aware, there is no relevant audit information undisclosed to the company's auditor and that they have taken the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

This report was approved by the Board of Trustees and signed on its behalf by:



Dated: 8 August 2022

Mr David Forbes-Nixon (Executive Chair)

■ Independent Auditor's Report to the members of the David Forbes-Nixon Charitable Foundation

Opinion

We have audited the financial statements of the David Forbes-Nixon Charitable Foundation (the 'charitable company') for the year ended 31 December 2021, which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 original financial statements were 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report;
- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement as set out on pages 78 and 79, the Trustees (who are also 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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We gained an understanding of the legal and regulatory framework applicable to the charitable company by considering, amongst other things, the sector in which it operates, and considered the risk of acts by the charitable company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, but recognised that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate

concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focused on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Charities Act 2011 and the Companies Act 2006.

Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of third parties.

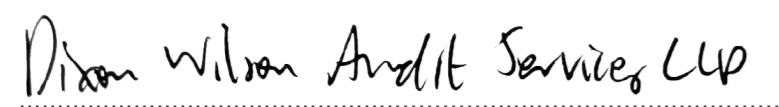
As in all our audits, we also addressed the risk that management override internal controls, including testing journals and evaluating whether there was any evidence of bias by the Trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud.

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

Use of our report

This report is made solely to the charitable company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's Trustees 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 Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Dixon Wilson Audit Services LLP - Statutory Auditor

Dated: 19 August 2022

22 Chancery Lane
London
WC2A 1LS

Dixon Wilson Audit Services LLP are eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Statement of Financial Activities including Income and Expenditure Account for the year ended 31 December 2021

Current financial year

Current financial year		Unrestricted funds 2021	Restricted funds 2021	Total 2021	Total 2020
	Notes	£	£	£	£
Income from:					
Donations	3	2,500	-	2,500	11,000
Charitable activities	4	3,000	-	3,000	17,682
Income from investments	5	279,729	-	279,729	307,455
Other incoming resources	6	121,964	-	121,964	118,769
Total income		407,193	-	407,193	454,906
Expenditure on:					
Raising funds	7	44,706	-	44,706	43,300
Charitable activities	8	920,908	209,060	1,129,968	1,495,405
Total resources expended		965,614	209,060	1,174,674	1,538,705
Net gains/ (losses) on investments	14	2,525,762	-	2,525,762	37,249
Net incoming/ (outgoing) resources		1,967,341	(209,060)	1,758,281	(1,046,550)
Other recognised gains and losses					
Other gains/ (losses)	15	24,436	-	24,436	(46,176)
Net movement in funds		1,991,777	(209,060)	1,782,717	(1,092,726)
Fund balances at 1 January 2021		19,411,201	607,523	20,018,724	21,111,450
Fund balances at 31 December 2021		21,402,978	398,463	21,801,441	20,018,724

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Statement of Financial Activities including Income and Expenditure Account for the year ended 31 December 2021 (continued)

Prior financial year

Prior financial year		Unrestricted funds 2020	Restricted funds 2020	Total 2020
	Notes	£	£	£
Income and endowments from:				
Donations	3	11,000	-	11,000
Charitable activities	4	17,682	-	17,682
Income from investments	5	307,455	-	307,455
Other incoming resources	6	118,769	-	118,769
Total income		454,906	-	454,906
Expenditure on:				
Raising funds	7	43,300	-	43,300
Charitable activities	8	1,308,448	186,957	1,495,405
Total resources expended		1,351,748	186,957	1,538,705
Net gains/ (losses) on investments	14	37,249	-	37,249
Net incoming/ (outgoing) resources		(859,593)	(186,957)	(1,046,550)
Other recognised gains and losses				
Other gains/ (losses)	15	(46,176)	-	(46,176)
Net movement in funds		(905,769)	(186,957)	(1,092,726)
Fund balances at 1 January 2020		20,316,970	794,480	21,111,450
Fund balances at 31 December 2020		19,411,201	607,523	20,018,724

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Balance Sheet as at 31 December 2021

		2021		2020	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	16		6,761,309		6,782,066
Investments	17		14,469,259		9,961,473
			21,230,568		16,743,539
Current assets					
Debtors	18	20,382		2,583,510	
Cash at bank and in hand		1,901,792		1,739,076	
		1,922,174		4,322,586	
Creditors: amounts falling due within one year	21	(1,212,686)		(549,894)	
Net current assets			709,488		3,772,692
Total assets less current liabilities			21,940,056		20,516,231
Creditors: amounts falling due after more than one year	22		(138,615)		(497,507)
Net assets			21,801,441		20,018,724
Income funds					
Restricted funds	28		398,463		607,523
Unrestricted funds					
Designated funds	29	534,060		621,329	
General unrestricted funds		20,868,918		18,789,872	
			21,402,978		19,411,201
			21,801,441		20,018,724

Balance Sheet as at 31 December 2021 (continued)

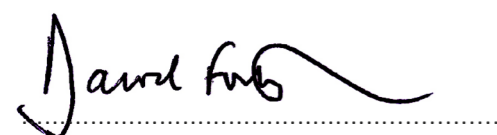
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on: 8 August 2022.



Mr D Forbes-Nixon
Executive Chair

Company registration number 08906571

Statement of Cash Flows

For the year ended 31 December 2021

	Notes	2021		2020	
		£	£	£	£
Cash flows from operating activities					
Cash generated from/ (absorbed by) operations	34		(659,425)		(1,359,823)
Investing activities					
Purchase of tangible fixed assets		-		(1,500)	
Purchase of investments		(1,218,906)		(3,844,137)	
Proceeds on disposal of investments		1,771,412		4,676,833	
Investment income received		279,729		307,455	
Net cash (used in)/ generated from investing activities			832,235		1,138,651
Net increase/ (decrease) in cash and cash equivalents			172,810		(221,172)
Cash and cash equivalents at beginning of year			1,739,076		1,963,342
Change in cash due to exchange rate movements			(10,094)		(3,094)
Cash and cash equivalents at end of year			1,901,792		1,739,076

Notes to the Financial Statements

For the year ended 31 December 2021

1. Accounting Policies

Charity information

The David Forbes-Nixon Charitable Foundation (the DFN Foundation) is a private company limited by guarantee incorporated in England and Wales. The registered office is 10 Norwich Street, London, EC4A 1BD. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in pounds sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest pound. The accounts have been prepared on the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees had a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the charitable objectives unless the funds have been designated for other purposes. Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

Restricted funds are subject to specific conditions by donors as to how they may be used or by the terms or nature of the appeal under which the funds were raised. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Where the DFN Foundation has entered into a contract for the supply of services over a period exceeding one year, income received at the commencement of the contract is recognised within the accounts on a time apportioned basis associated with the expected delivery of that service over the life of the contract.

Income arising from investments is generally recognised on receipt. As set out in note 25, a potential income stream (termed carried interest income) has been made available to the DFN Foundation by the Executive Chair arising from the inclusion of the DFN Foundation within the profit share arrangement for a number of investments to which the Executive Chair is a party.

Carried interest income is recognised once the receipt of funds is probable and a reasonable estimate of the amount can be made. This will not be before the time the underlying fund has realised sufficient returns to exceed its hurdle rate. Before income is recognised, that is before receipt of funds is probable and/ or a reasonable estimate of

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

the amount can be made, the Trustees' best estimate of the amount and timing of future carried interest income is disclosed as a contingent asset.

1.5 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its charitable activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs are associated with meeting the constitutional and statutory arrangements of the Charity, including external audit and the cost of preparing statutory accounts, the cost of Trustees' meetings and other costs involved with the Charity's strategic management.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Wherever possible, costs relating to a particular activity are allocated directly; others are apportioned on the basis of the ratio of resources expended in respect of each charitable activity.

Irrecoverable VAT is included with the item of expenditure to which it relates.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

• Land and buildings	Not depreciated
• Hydro therapy pool	5% straight line
• Furniture and equipment	25% reducing balance method
• IT equipment	3 year straight line method
• Charity website	3 year straight line method

No depreciation is provided in respect of freehold land and buildings. Please see note 2 for the Trustees' comments.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/ (expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the Trustees review the carrying amounts of the tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

1.9 Cash and cash equivalents

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

1.10 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

1.11 Employee benefits

Where material the cost of any unused holiday entitlement is recognised in the period in which the employees' services are received. Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

The DFN Foundation offers a defined contribution pension scheme for employees whereby the assets of the scheme are held separately within an independently administered fund.

Payments to an employee's personal pension plan can also be made at the Trustees' discretion. Payments to the defined contribution pension scheme and an employee's personal pension are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases are charged to income on a straight line basis over the term of the relevant lease.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/ (expenditure) for the period.

1.15 Activity basis allocation

Support costs are those costs incurred in support of the charitable activities. Where appropriate these costs are allocated directly to the activity concerned. Other costs are allocated between each activity in proportion to the direct expenditure incurred under each activity heading.

1.16 Mixed motive investments

The DFN Foundation has invested in the purchase and development of the Undershaw property to support its expansion by the provision of accommodation to meet the growing

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

demand for places at this special needs school. At the completion of the development work the DFN Foundation entered into a lease with Undershaw for which a concessionary level of rent was agreed.

The DFN Foundation recognised the mixed motive nature of its investment (as defined within SORP FRS 102) which is carried at historical cost subject to the application of depreciation and periodic impairment reviews.

2. Critical accounting estimates and judgements

Critical judgements

Undershaw

The Board considers that the evaluation of the useful economic life of the Undershaw property and the application of depreciation to be the area of judgement with a significant effect on the financial statements.

The Board considers that the comprehensive maintenance programme in place for Undershaw property will keep the property in very good order, and on this basis judge that the residual value at the end of the expected useful life of the property will be no less than the carrying value. On this basis no depreciation is applied to the freehold property.

Judgement is applied in evaluating the useful life of each asset. This is based on either the maintenance and servicing programme or the period of obsolescence, and on the expectation that each asset will warrant replacement or substantial refurbishment at the end of its useful life.

Impairment of fixed assets

In addressing the impairment of the Undershaw property the Board considered the value in use of the property. The Board judges that the property meets its intended service potential at the balance sheet date and is not aware of any matters that will diminish this in the foreseeable future. On this basis the value in use is judged to be not less than the construction cost.

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

Critical estimates

Contingent assets

The contingent asset disclosed within note 25 is based on a number of critical estimates. However the estimated value of the contingent asset is not included within the carrying amount of assets and liabilities due to its uncertain amount and probability. Future cash inflows will be recognised in the Financial Statements when they are considered probable and can be reliably measured. Further information on the contingent asset is contained within note 25 of the Financial Statements.

Funding commitments

The Board has projected the future value of the funding commitment to Myeloma UK based on the average return of investment rate and projected cash payments to Myeloma UK. These estimates are based on market conditions and the resources committed by Myeloma UK to the research project which are subject to change annually. Due to the volatility of the market and uncertainty over the timing of future payments, the future movement is uncertain. The Board therefore has provided its best estimate at the year end. Further details on the calculation of this funding commitment is shown in note 23.

Unlisted investments

There is a critical estimate within the reporting of unlisted investments in note 17. The value of unlisted investments is based on the net asset value as provided by the fund manager. The net asset value determines the unrealised gain or loss on the investment at the year end in addition to the asset carrying amount on the Balance Sheet. Some of the unlisted investments are not traded on a public market and therefore there is a degree of judgement in the net asset value by the fund manager.

3. Donations

	2021	2020
	£	£
Donations	2,500	11,000
	2,500	11,000

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

4. Charitable activities

	2021	2020
	£	£
Other education services provided	3,000	17,682
	3,000	17,682

5. Income from investments

	2021	2020
	£	£
Rental Income	94,381	81,332
Income from listed investments	40,751	59,038
Income from unlisted investments	138,118	167,010
Other income from unlisted investments	6,314	-
Interest receivable	165	75
	279,729	307,455

6. Other incoming resources

	2021	2020
	£	£
Expenditure recharged to DFN Project SEARCH for office facilities	5,710	45,629
Expenditure recharged to DFN Project SEARCH for the services of the CEO	116,254	73,140
	121,964	118,769

For expediency the DFN Foundation and DFN Project SEARCH continued to share office facilities until January 2021 when the office lease was discontinued.

DFN Project SEARCH was invoiced for the cost of the office rent and facilities plus any other shared services.

The DFN Foundation continued to raise a quarterly invoice at cost for the time that the CEO devotes to DFN Project SEARCH, as set out above.

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

7. Raising funds

	2021	2020
	£	£
Fundraising and publicity		
Fundraising costs	147	3,500
Investment management	44,559	39,800
	44,706	43,300

8. Charitable activities

For the year ended 31 December 2021

Charitable activities	Education and Employability 2021	Healthcare 2021	Total 2021
	£	£	£
Employability Project			
Employability Project funding	17,500	-	17,500
PR Campaign for 'Now is the Time'	29,350	-	29,350
DFN MoveForward			
MoveForward funding	209,060	-	209,060
	255,910	-	255,910
Grant funding of activities (note 9)	493,000	41,592	534,592
Share of support costs (note 11)	242,614	10,923	253,537
Share of governance costs (note 11)	81,408	4,521	85,929
	1,072,932	57,036	1,129,968
Analysis by fund			
Unrestricted funds	863,872	57,036	920,908
Restricted funds	209,060	-	209,060
	1,072,932	57,036	1,129,968

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

8. Charitable activities

For the year ended 31 December 2020

Charitable activities	Education and Employability 2020	Healthcare 2020	Conservation 2020	Total 2020
	£	£	£	£
Employability Project				
Employability Project funding	55,375	-	-	55,375
PR Campaign for 'Now Is The Time'	-	-	-	-
DFN MoveForward				
MoveForward funding	186,957	-	-	186,957
	242,332	-	-	242,332
Grant funding of activities (note 9)	789,865	35,852	50,000	875,717
Share of support costs (note 11)	264,416	7,113	9,921	281,450
Share of governance costs (note 11)	88,542	3,075	4,289	95,906
	1,385,155	46,040	64,210	1,495,405
Analysis by fund				
Unrestricted funds	1,198,198	46,040	64,210	1,308,448
Restricted funds	186,957	-	-	186,957
	1,385,155	46,040	64,210	1,495,405

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

In 2020 research costs relating to the Employability Project were included under the DFN MoveForward heading, however the Trustees feel the separation of costs under their own heading adds further clarity to the current and future reporting of charitable activities.

9. Grants payable

	Education and employability	Healthcare	Conservation	Total 2021	Total 2020
	£	£	£	£	
Grants to institutions:					
St Catherine's School	-	-	-	-	10,000
Himalayan Youth Foundation UK	(7,000)	-	-	(7,000)	26,565
Myeloma UK	-	41,592	-	41,592	35,852
DFN Project SEARCH	500,000	-	-	500,000	668,300
Mission EmployAble	-	-	-	-	10,000
Undershaw	-	-	-	-	75,000
Big Butterfly Count	-	-	-	-	50,000
	493,000	41,592	-	534,592	875,717

Education and employability

During the year a grant of £3,000 was made to the Himalayan Youth Foundation UK as disclosed in note 23. Later in the year the DFN Foundation withdrew from its commitment to the Himalayan Youth Foundation UK as disclosed in note 23. A credit entry of £10,000 has been entered in respect of grants to the Himalayan Youth Foundation UK for the year to 31 December 2021.

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

10. Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year. Trustees were reimbursed a total of £267 (2020 - £412) for expenses incurred for various meetings with Trustees and management throughout the year. A payment of £505 (2020 - nil) was paid for a LinkedIn licence for one of the Trustees.

During the year the DFN Foundation provided trivial gifts to the Trustees totalling £338 (2020 - nil) as a thank you for their ongoing work during the Covid-19 pandemic.

11. Support costs

	Support costs	Governance costs	2021	2020	Basis of allocation
	£	£	£	£	
Staff costs	145,318	-	145,318	127,540	Resources expended
Depreciation	20,757	-	20,757	24,586	Direct allocation
Property costs	14,530	-	14,530	17,165	Direct allocation
Website hosting	1,353	-	1,353	9,384	Resources expended
Administration costs	21,993	-	21,993	20,409	Resources expended
Education consultancy	2,543	-	2,543	16,855	Direct allocation
Public Relations	39,923	-	39,923	24,030	Resources expended
Office rent	7,120	-	7,120	41,481	Direct allocation
Audit fees	-	17,677	17,677	17,384	Resources expended
Legal and professional fees	-	45,344	45,344	64,707	Resources expended
Trustees' expenses	-	267	267	412	Resources expended
Management expenses	-	21,330	21,330	8,075	Resources expended

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

11. Support costs (continued)

Bank charges	-	186	186	3,169	Resources expended
Board expenses	-	1,125	1,125	2,159	Resources expended
	253,537	85,929	339,466	377,356	
Analysed between					
Charitable activities	253,537	85,929	339,466	377,356	

The DFN Foundation initially identifies the costs of its support functions. It then identifies those costs that relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the charitable activities undertaken in the year.

Where possible support and governance costs are allocated directly to the relevant charitable activity. Remaining costs are allocated on the basis of the ratio of resources expended between the charitable activities.

As set out in note 6 above the DFN Foundation raised quarterly invoices (at cost) for support costs utilised by DFN Project SEARCH.

12. Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	2021	2020
	£	£
Audit of the annual accounts	17,677	17,384

The 2020 remuneration above contains an adjustment to the sum of £2,416 relating to an over provision of auditor's remuneration in 2019.

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

13. Employees

The average monthly number of employees over the course of the year was:

Number of employees	2021	2020
	Number	Number
Management	1	1
	1	1

Employment Costs	2021	2020
	£	£
Wages and salaries	105,546	100,000
Social security costs	9,272	8,593
Other pension costs	30,500	18,587
	145,318	127,180

The number of employees whose annual remuneration was £60,000 or more was:	2021	2020
	Number	Number
£100,000 - £110,000	1	1

Contributions totalling £30,500 (2020 - £18,587) were made to defined contribution pension schemes on behalf of employees whose emoluments exceed £60,000.

The key management personnel of the charity comprised of the CEO. During the year the CEO received total remuneration of £145,318 (2020 - £127,180).

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

As set out in note 6 above, Claire Cookson is employed as the CEO of both the DFN Foundation and DFN Project SEARCH. During the year the DFN Foundation raised quarterly invoices for the time that the CEO had devoted to DFN Project SEARCH. The CEO's employment costs recharged to DFN Project SEARCH amounted to £116,254 (2020 - £73,140) for the year.

14. Net gains/ (losses) on investments

	2021	2020
	£	£
Revaluation of investments	2,272,464	(537,308)
Gains/ (losses) on sale of investments	253,298	574,557
	2,525,762	37,249

15. Other gains/ (losses)

	2021	2020
	£	£
Foreign exchange gains/ (losses)	24,436	(46,176)

Foreign exchange gains/ (losses) comprise £34,530 (2020 - (£43,038)) relating to foreign exchange gains on fixed asset investments and £10,094 (2020 - (£2,819)) of realised currency losses (2020 – additional loss of £274 on bank revaluation).

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

16. Tangible fixed assets

Tangible fixed assets	Land & Buildings	Hydro Therapy Pool	Furniture & Equipment	IT Equipment	Charity Website	Total
	£	£	£	£	£	£
Cost						
At 1 January 2021	6,622,912	148,161	190,657	112,192	26,235	7,100,157
Disposals	-	-	-	-	(24,735)	(24,735)
At 31 December 2021	6,622,912	148,161	190,657	112,192	1,500	7,075,422
Depreciation and impairment						
At 1 January 2021	-	37,040	145,079	110,737	25,235	318,091
Depreciation charged in the year	-	7,408	11,394	1,455	500	20,757
Eliminated in respect of disposals	-	-	-	-	(24,735)	(24,735)
At 31 December 2021	-	44,448	156,473	112,192	1,000	314,113
Carrying amount						
At 31 December 2021	6,622,912	103,713	34,184	-	500	6,761,309
At 31 December 2020	6,622,912	111,121	45,578	1,455	1,000	6,782,066

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

The carrying value of land included in land and buildings comprises:

	2021	2020
	£	£
Freehold	300,000	300,000

The purchase and renovation of the main Undershaw property, through which the DFN Foundation is delivering on part of its educational charitable objective, is termed a mixed motive investment within the SORP FRS 102 as set out in note 19.

17. Fixed asset investments

	Listed investments	Unlisted investments	Total
	£	£	£
Cost or valuation			
At 1 January 2021	4,419,567	5,541,906	9,961,473
Additions	718,906	3,000,000	3,718,906
Valuation changes	617,764	1,689,230	2,306,994
Realised gains/ (losses) on disposal	253,298	-	253,298
Disposals	(722,804)	(1,048,608)	(1,771,412)
At 31 December 2021	5,286,731	9,182,528	14,469,259
Carrying amount			
At 31 December 2021	5,286,731	9,182,528	14,469,259
At 31 December 2020	4,419,567	5,541,906	9,961,473

Held within listed investment is a cash balance of £15,677 (2020 - £30,107) for investment purposes within an investment portfolio.

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

Held within listed investments is a cash balance of £15,677 (2020 - £30,107) for investment purposes within an investment portfolio.

Other investments comprise:	Notes	2021	2020
		£	£
Investments in subsidiaries	33	1	1

investments at fair value comprise:	2021	2020
	£	£
Unlisted investments	9,182,528	5,541,906

Fixed asset investments revalued

The investments held for long term capital growth and income growth potential are valued at the balance sheet date at fair value on the basis of:

Listed investments - year end market valuation

Unlisted investments - underlying net assets as valued by the fund manager

18. Debtors

Amounts falling due within one year:	2021	2020
	£	£
Trade debtors	2,500	29,600
Other debtors	302	2,532,247
Prepayments and accrued income	17,580	21,663
	20,382	2,583,510

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

19. Mixed motive investments

	Freehold property 2021	Freehold property 2020
	£	£
At 1 January 2021	6,322,912	6,322,912
At 31 December 2021	6,322,912	6,322,912

As noted in previous reports, in the summer of 2016 the Charity completed the development of Undershaw into a special purpose school to provide facilities to disabled children.

The property is held within fixed assets in accordance with Section 21.15 of the SORP. The carrying value of the social investment as at 31 December 2021 was £6,322,912.

The primary objective of this investments remains the furtherance of the Charity's objective to provide disabled students with access to educational provision, leading to better opportunities for employment, improved life skills, and social communication.

The property continues to be leased to Undershaw at a below market rate of rental, details of which are provided in note 31, and investment income from this property is considered of secondary importance to the furtherance of the Charity's objectives.

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

20. Financial instruments

	2021	2020
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	2,802	2,561,847
Instruments measured at fair value through profit or loss	14,469,259	9,961,473
Carrying amount of financial liabilities		
Measured at amortised cost	1,351,501	1,038,096

21. Creditors: amounts falling due within one year

	Notes	2021	2020
		£	£
Other taxation and social security		26,032	9,305
Deferred income	24	33,333	-
Trade creditors		-	13,087
Other creditors	23	453,778	217,155
Accruals		699,543	310,347
		1,212,686	549,894

22. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Other creditors	138,615	497,507

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

23. Funding commitments

Myeloma UK

In 2015 the DFN Foundation entered into a commitment to provide a grant to Myeloma UK of £1 million to fund a development programme focusing on research. An agreement was put in place including a timeline for the payment of the commitment. Myeloma UK raises invoices to the DFN Foundation periodically for the work completed on the research programme.

The ongoing commitment extending beyond the 12 months following the balance sheet date is calculated by the amortised cost method using an average return of investment rate calculated at 5% per annum.

Following changes in the original payment schedule, due partly to the Covid-19 pandemic, the DFN Foundation has revised the calculation of the Myeloma UK funding commitment.

Remaining cash payments of £567,693 (discounted value £508,628) are due to Myeloma UK and projected to be made over the next two years to 31 December 2023. As a result of the above changes, finance costs relating to the commitment include a one off adjustment of £10,025, increasing the charge in the Statement of Financial Activities from £31,568 to £41,592.

At the year end the funding commitment to Myeloma UK due within one year is calculated as £395,445 (2020 - £165,488) and shown within other creditors in note 21. The commitment due after one year amounts to £138,615 (2020 - £455,841) and is included within long term creditors within note 22.

The DFN Foundation will continue to fund the commitment from current unrestricted cash reserves and future income generated from investments.

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

Himalayan Youth Foundation UK

The DFN Foundation and the Himalayan Youth Foundation UK have agreed to cancel the remaining £10,000 (2020 - £10,000) commitment payable to the Himalayan Youth Foundation UK, which formed part of the £25,000 commitment made in 2020. This follows the completion of the building programme and provision of equipment with the funds provided by the DFN Foundation in 2020. The project has been successfully delivered and continues to develop the students' employability and enterprise skills.

The DFN Foundation paid £3,000 to the Himalayan Youth Foundation UK during the year for the annual sponsorship of two children at the Young Hearts Boarding High School in Nepal.

Big Butterfly Count

In pursuance of the conservation objective, the DFN Foundation continues to support the Big Butterfly Count as co-sponsor over a three year period commencing in 2020. These accounts reflect the ongoing commitment with £33,333 (2020 - £33,333). The invoice for 2021 was issued to the DFN Foundation after the year end and therefore the 2021 commitment is included within other creditors per note 21.

Undershaw - Progression Coach

In partnership with the COINS Foundation, the DFN Foundation continues its commitment to provide funds for the employment of a Progression Coach at Undershaw over a three year period. These accounts reflect the outstanding sum of the commitment of £25,000 due within one year of the balance sheet date (2020 - £50,000).

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

24. Deferred income

	2021	2020
	£	£
Arising from services provided	33,333	-

Rental income of £33,333 was received from Undershaw on 18 December 2021 and paid in advance of the winter term 2021-22. The school term covered is from 1 January 2022 - 30 April 2022 and therefore the full rental sum is deferred as at 31 December 2021.

25. Contingent asset

As noted in the Trustees' Report, in assessing current and future projects and the resources that may be absorbed, the Board maintains a review over income that may be expected to arise (with a reasonable degree of certainty) over the same period.

The Trustees' Report refers to a potential income stream that has been made available to the DFN Foundation by the Executive Chair arising from the inclusion of the DFN Foundation within the profit share arrangements for a number of investments to which the Executive Chair is a party.

It should be noted that the potential for future income is only available if each investment achieves a given level of performance over a minimum hurdle rate of return throughout the investment cycle; failure to achieve the given level will result in no income. It should also be noted that the DFN Foundation is participating in a profit share arrangement and the success (or otherwise) of each investment will not result in any future liability or additional commitment for the DFN Foundation.

At the year end the success (or otherwise) of achieving the given level of performance is unknown.

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

The table below sets out the estimated sums and the anticipated time scale. Both the sums and time scale are based on a number of estimates and assume that the set performance criteria are achieved over the remaining life of each investment. On this basis the Board is of the view that the application of present value calculations to the figures below would not be appropriate.

• Potential receipt in year ended 31 December 2022	£8,059
• Potential receipt in year ended 31 December 2024	£5,521,742
• Potential receipt in year ended 31 December 2025	£1,181,420
• Additional potential receipt between 2021 and 2025	£174,503

The Board has determined that the estimation of future income for the purposes of the contingent asset note be reviewed annually. At each year end, where it is probable that future cash inflows arising from an investment can be measured reliably the income will be recognised in the financial statements.

A cash receipt of £6,314 was received from the above investments during 2021 (2020 - nil). At the year end no income has been recognised in respect of future years (2020 - nil).

26. Retirement benefit schemes

Defined contribution schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The Charity contributes a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Charity with respect to the scheme is to make the specified contributions.

At the current time the sole employee of the DFN Foundation has chosen to have contributions paid to a separate personal pension, rather than the DFN Foundation's pension scheme. The offered defined contribution pension scheme is therefore not used by any current employees.

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

The charge to the statement of financial activities in respect of pension contributions is £30,500 (2020 - £18,587).

27. Financial commitments, guarantees and contingent liabilities

Investments

The DFN Foundation holds a portfolio which includes a range of investments. Within this portfolio is a specialist investment vehicle which is held as an unquoted fixed asset investment. The nature of this investment fund requires the DFN Foundation to make capital payments over a three year period of up to an amount which the DFN Foundation had committed to on application. Within this period, and as other investors join the fund, the DFN Foundation can be entitled to capital repayments as equalisation. Within the overall commitment of funds the timing and magnitude of each capital payment, or any equalisation repayments, are not subject to a set timetable.

At the year end the DFN Foundation had an outstanding commitment under this investment of £1,197,853 (2020 - £196,220). The increase in 2021 reflects the variable nature of the investment vehicle where capital is paid and repaid throughout the life of the investment.

ARK

The DFN Foundation no longer has any commitment to provide loan finance to ARK in support of the EdCity project (2020 - £1 million).

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

28. Restricted funds

Details of restricted income and expenditure for the current and previous year are detailed below:

Movement in funds

	Balance at 1 January 2021	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	Balance at 31 December 2021
	£	£	£	£	£	£
DFN MoveForward	607,523	-	(209,060)	-	-	398,463
	607,523	-	(209,060)	-	-	398,463

	Balance at 1 January 2020	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	Balance at 31 December 2020
	£	£	£	£	£	£
DFN MoveForward	794,480	-	(186,957)	-	-	607,523
	794,480	-	(186,957)	-	-	607,523

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

DFN MoveForward

DFN MoveForward is an employability programme built on the tried and tested work of ThinkForward with the purpose to support and help young people with mild to moderate learning disabilities into sustainable paid employment.

As the lead commissioner through a Social Impact Bond, and with the aid of generous donations from supportive partner organisations, the DFN Foundation has set aside in total £1 million to assist in the funding of the DFN MoveForward Project over five years commencing in 2018.

The Government's Life Chances Fund is working with the DFN Foundation within the Social Impact Bond to provide match funding in addition to the DFN Foundation's commitment.

Funds are advanced to ThinkForward on the basis of set sums as verified key goals are achieved by each young person as they move through the programme to sustained paid employment. Should any of the key goals not be met the DFN Foundation and its partners are not obligated to provide funds.

The impact of Covid-19 necessitated a review of the delivery of the programme.

In response to the limitations of the lockdown and social distancing rules the DFN Foundation has worked with ThinkForward to focus the work towards an activities based approach.

These accounts reflect a provision for payments due to ThinkForward of £209,060 (2020 - £186,957).

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

29. Designated funds

The funds of the Charity include the following designated funds which have been set aside out of unrestricted funds by the Trustees for specific purposes:

	Balance at 1 January 2021	Resources expended	Charge to SOFA	Balance at 31 December 2021
	£	£	£	£
Myeloma UK	621,329	(128,861)	41,592	534,060
	621,329	(128,861)	41,592	534,060

	Balance at 1 January 2020	Resources expended	Charge to SOFA	Balance at 31 December 2020
	£	£	£	£
Myeloma UK	588,923	(3,446)	35,852	621,329
Himalayan Youth Foundation UK	839	(1,400)	561	-
	589,762	4,846	36,413	621,329

The above funds have been designated by the Trustees to settle funding commitments to the charities stated. The terms of the funding commitment to Myeloma UK are as specified within note 23.

Designated funds spent on the Himalayan Youth Foundation UK in 2020 were in respect of a previous funding commitment which has since been fully expended.

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

30. Analysis of net assets between funds

Fund balances at 31 December 2021 are represented by:

	Unrestricted funds	Restricted funds	Designated funds	Total
	£	£	£	£
Tangible assets	6,761,309	-	-	6,761,309
Investments	14,469,259	-	-	14,469,259
Current assets/ (liabilities)	(223,035)	398,463	534,060	709,488
Long term liabilities	(138,615)	-	-	(138,615)
	20,868,918	398,463	534,060	21,801,441

Fund balances at 31 December 2020 are represented by:

	Unrestricted funds	Restricted funds	Designated funds	Total
	£	£	£	£
Tangible assets	6,782,066	-	-	6,782,066
Investments	9,961,473	-	-	9,961,473
Current assets/ (liabilities)	2,543,840	607,523	621,329	3,772,692
Long term liabilities	(497,507)	-	-	(497,507)
	18,789,872	607,523	621,329	20,018,724

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

31. Operating lease receipts lessor

The DFN Foundation continued to lease the freehold building and grounds to Undershaw.

In accordance with the terms of the lease, Undershaw shall use the property for the provision of education.

The current tenant repairing and insuring lease is for a period of ten years which commenced on 1 September 2019, with future rent payments continuing on 1 January, 1 May and 1 September. The sums charged in the year remain below the full market rate.

An additional charge is made for reimbursement of the premium to insure the building.

Either party to the lease may terminate the agreement on 31 August in each year of the term by giving the other party not less than 12 months' notice.

The DFN Foundation has expressed its long term support of Undershaw.

At the balance sheet date Undershaw had contracted with the DFN Foundation for the following minimum lease payments:

	2021	2020
	£	£
Within one year	100,000	80,000
Between two and five years	400,000	400,000
Over five years	266,667	366,667
	766,667	846,667

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

32. Transactions with related parties

During the year the DFN Foundation entered into the following transactions with related parties:

Leases

	2021	2020
	£	£
Undershaw - receipt of rental income	80,000	70,000
Undershaw - reimbursement of insurance	14,381	11,332
	94,381	81,332

Undershaw

Undershaw is a related party due to the significant influence the Board of Trustees of the DFN Foundation has over the Board of Undershaw. Services and goods have been provided to assist in the support of common goals. In addition Undershaw was granted the right to use the property as a school site, under the terms of a lease agreement, for a fee below that of market rental.

No grants were paid to Undershaw in the year ending 31 December 2021 (2020 - £75,000).

Forbes Capital Investments Limited

Between April and December 2021 Forbes Capital Investments Limited provided the use of an employee to undertake administrative services for the DFN Foundation and on behalf of David Forbes-Nixon in his role as Trustee and Executive Chair. Forbes Capital Investments Limited (Registered in Guernsey: 53680) is controlled by David Forbes-Nixon.

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

A sum of £11,785 (2020 - nil) was charged by Forbes Capital Investments Limited as a reimbursement for a proportion of the employee's employment costs whilst they undertook work for the DFN Foundation. At the year end the DFN Foundation owed £11,785 (2020 - nil) to Forbes Capital Investments Limited.

DFN Project SEARCH

DFN Project SEARCH is considered a related party of the DFN Foundation following the appointment of a joint CEO in 2020. The transactions between the two organisations are:

- Grants paid to DFN Project SEARCH by the Foundation of £500,000 (2020 - £668,300) as reported in note 9.
- Charges made at cost for the services of the CEO of £116,254 (2020 - £73,140) as reported in note 6.
- Shared office facilities were recharged to DFN Project SEARCH during the year totalling £5,710 (2020 - £45,629) as reported in note 6.

The DFN Foundation received the services of the Financial Controller employed by DFN Project SEARCH for which invoices were raised at cost totalling £8,934 (2020 - nil). These costs are reported within management expenses of £21,330 within note 11.

No services were received by the DFN Foundation in respect of an Office Manager in 2021 (2020 - £8,075). At the year end the DFN Foundation owed DFN Project SEARCH £543,477 (2020 - £190,819). This balance is reported within creditors falling due within one year in note 21.

Donations from Trustees

No donations that require disclosure were made to the DFN Foundation by any of the Trustees in the year.

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

33. Subsidiaries

In keeping with its statutory obligations, the Board has arranged for separate financial statements for the period to 31 December 2021 to be prepared for the subsidiary. The Board has not prepared consolidated financial statements as the relevant thresholds which require such treatment were not exceeded in the year under review.

Details of the Charity's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	Percentage held direct
DFN Events Limited	UK	Events company	Ordinary	100

34. Cash generated from operations

	2021	2020
	£	£
Surplus/ (deficit) for the year	1,758,281	(1,046,550)
Adjustments for:		
Investment income recognised in statement of financial activities	(279,729)	(307,455)
Gain on disposal of investments	(253,298)	(574,557)
Fair value gains and losses on investments	(2,272,464)	537,308
Depreciation and impairment of tangible fixed assets	20,757	24,586
Movements in working capital:		
Decrease in debtors	63,128	111,378
Increase/ (decrease) in creditors	270,567	(99,726)
Increase/ (decrease) in deferred income	33,333	(4,807)
Cash generated from/ (absorbed by) operations	(659,425)	(1,359,823)

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

Notes to the Financial Statements

For the year ended 31 December 2021 (continued)

35. Analysis of change in net funds

The Charity had no debt during the year.

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

England & Wales - Charity number 1155919

Accounts

Annual Report and Accounts

2020



Contact us

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Contents



Legal and Administrative information	01
A message from our Chairman and CEO	02
What we do	06
Our Four Key Priority Areas	09
Education	10
Employability	30
Healthcare	52
Conservation	60
Our Partners	66
Trustees' Report on Financial and other Statutory Matters	75
Independent Auditor's Report to the Members of the DFN Charitable Foundation	91
Statement of Financial Activities for the year ended 31 December 2020	95
Balance Sheet as at 31 December 2020	97
Statement of Cash Flows for the year ended 31 December 2020	99
Statement of Financial Policies and Notes to the Financial Statements for the year ended 31 December 2020	100

■ INTRODUCTION

Legal and Administrative Information

Transforming Lives for the Better

Name	DFN Charitable Foundation ("DFN Foundation")
Trustees	Mr D Forbes-Nixon Mr J Dickson Mr S N Konsta Mr E W Low Mr N O Stromsoy (Appointed 1 January 2020)
Charity number	1155919
Company number	08906571
Registered office	10 Norwich Street London EC4A 1BD
Independent Auditor	Dixon Wilson Audit Services LLP 22 Chancery Lane London WC2A 1LS
Bankers	Barclays 1 Churchill Place Canary Wharf London E14 5HP
Solicitors	Macfarlanes LLP 20 Cursitor Street London EC4A 1LT
Accountants	Humphrey & Co 7-9 The Avenue Eastbourne East Sussex BN21 3YA
Business Address	10 Norwich Street London EC4A 1BD

A message from our Chairman and CEO



David Forbes-Nixon
Chairman

2020 has been a significant year of learning and adapting to circumstances beyond our control. We have learnt a lot about COVID-19, about PPE, about vaccines, and most of all, about our own resilience. Claire and I are so proud of our teams for their unwavering commitment; we are equally proud of our beneficiaries for the focus they have given to achieve, with our support, the lives they strive for and deserve.

We have seen a huge wave of innovation from the organisations that we support. Digital technology has revolutionised the way we communicate and reach our partners who will want to preserve this new way of working once this crisis has passed. We have been so impressed by the resilience of the different organisations that we support and by their ability to 'bounce back' and adapt to challenging market conditions.

According to a McKinsey & Company research paper titled 'Agile resilience in the UK', resilient organisations displayed five common characteristics during the COVID-19 crisis that helped them adapt to the new normal.



They typically:

- Established a common purpose and clear communications;
- Set up structures to allow rapid decision making;
- Created networks of local teams with clear, accountable roles;
- Developed a culture that empowers people; and
- Provided people with the technology they need.

The DFN Foundation spans education, employment, healthcare and conservation and we and our partner organisations have had to demonstrate these characteristics to achieve progress in the Foundation's goals set by our board, details of which are given below:

- 1. Education:** To create a world class special needs school at Undershaw (Stepping Stones School) and to promote the development of best practice in special needs education which will deliver great outcomes for young people with learning difficulties, disabilities and autism.

Stepping Stones School has embraced a blended learning offer and ensured a bespoke and tailored curriculum and pastoral package for each learner and their families. They have also used this time to creatively plan, grow, strengthen and diversify the curriculum offer.



- 2. Employability:** To positively influence current practice so that young people with special educational needs and disabilities receive high quality work-related learning and improved access to long-term paid employment.

DFN MoveForward is being used in 8 schools and DFN Project SEARCH has 69 programmes nationwide and these programmes have expertly pivoted overnight to a sophisticated digital delivery system, bringing stakeholders together at a time when they needed support most. This involved establishing online methods of practice and providing new and innovative resources, whilst keeping ambition high for those with learning disabilities and autism to ensure that that no one is left behind.

- 3. Healthcare:** To improve survival rates of Myeloma and advance cures through the strategic funding of high-quality research which will benefit patients to live longer lives.

“The COVID-19 pandemic has triggered a social awakening and forced us to consider everyone within our communities and think about what values are important to us.”

The work of Dr Kaiser, as the Jacquelin Forbes-Nixon Fellow at the Institute of Cancer Research leading the myeloma research team and acting as Chief Investigator of the OPTIMUM (MUK9) clinical trial, continued without interruption throughout the year. Also his team's research and analysis of molecular features of high-risk myeloma from OPTIMUM using Whole Genome Sequencing and Long-Range Sequencing is ongoing with a number of successful publications in international peer-reviewed journals.

4. **Conservation:** To ensure the survival of the British butterfly, with the long-term goal of focusing efforts on the re-introduction of some of the rarer species of British butterfly. The DFN Foundation was the co-sponsor of the 2020 Big Butterfly Count in July, the world's biggest survey of butterflies, with over 110,000 participants taking part and over 145,000 counts.

Counting butterflies can be described as taking the pulse of nature and the data received will enable us to identify important trends in species that will assist us in planning how to protect butterflies from extinction as well as understanding the effect of climate change on wildlife.



Claire Cookson
Chief Executive Officer

“
Our interns develop so many employability skills and are now applying for and getting themselves life-changing jobs that are making a difference to the country in a time of unprecedented crisis.

We also set up the Disability Commission in 2020 chaired by Lord Shinkwin, partnering with the Centre of Social Justice and supported by high profile commissioners including major business leaders from Deloitte, EY and Clifford Chance, a former Minister for disability and Baroness Tanni Grey-Thompson, one of our greatest Paralympians and a tireless campaigner on disability issues.

The purpose of the Disability Commission is to influence the government's National Disability Strategy and secure a step change in the opportunities available to disabled people, especially in employment so they can live their lives fully and as they want to. Its message is simple – 'Levelling up: time to get it done'.

The COVID-19 pandemic has sent shockwaves through the economy but also society. It has triggered a social awakening and forced us to consider everyone within our communities and think about what values are important to us.

It has also been a reminder to many that the case for diversity and inclusion is robust and essential. Diverse workforces and inclusive workplaces are associated with higher individual performance because employees can innovate and are more engaged.



It's also associated with higher collective performance because diversity of thought and experience leads to better decision-making, owing to more rigorous processing of information and less 'group-think' than in homogenous groups.

We now face a unique opportunity for education, healthcare, and business to develop in a way that boosts diversity and inclusion and sustains an environment in which people from all walks of life feel welcome and are productive. We are excited and motivated to be able to support this movement, to embrace differences, show empathy, and adapt to the changing world.

We would like to thank all our partners for their inspirational work and their continued determination to support those who need it most. A special thanks also goes to our committed trustees, patrons and funders, without whom none of this would be possible.

What We Do

Delivering the Future Now

Our vision is to bring positive and lasting change, helping to unlock natural potential and build a more inclusive and environmentally conscious society.

Education

We continue to promote the development of best practice in special needs education to deliver great outcomes for young people with learning difficulties, disabilities and autism.

Employability

We are positively influencing current practice so that young people with special educational needs and disabilities receive high quality work-related learning and improved access to long-term paid employment.

Healthcare

We are committed to improving survival rates of Myeloma and advancing cures through the strategic funding of high-quality research which will benefit patients and improve survival rates.

Conservation

We are working to ensure the survival of the British butterfly, with the long-term goal of focusing efforts on the re-introduction of some of the rarer species of British butterfly.

Transforming Outcomes

We are a commissioning Charity committed to transforming life outcomes for people throughout the country.

With the Foundation's support, our delivery partners are able to influence sustainable change in special needs education, supported employment, healthcare and conservation. Our partnership model is business led and outcome driven.

This enables us to obtain transformational results with very clear deliverables whether it is helping more young people with special needs through education and into full-time employment, advancing Myeloma research or supporting butterfly conservation. In any case, we at the Foundation are passionately committed to making our society a more environmentally conscious and inclusive place for all.



Our Four Key Priority Areas



Education



Creating world-class special needs education

We have invested £7.5million in establishing the Stepping Stones School at Undershaw, which is providing world-class special needs facilities, supporting pupils to reach their full potential in life. We are the commissioner of one of the UK's largest Social Impact Bonds, together with ThinkForward we have

created the DFN MoveForward programme. This is an innovative education-based employability skills strategy that supports students with special needs by providing individualised coaching, creating ready for work opportunities whilst promoting greater employer awareness and engagement.

DFN MoveForward

DFN MoveForward supports 15-24 years olds with a moderate to mild learning disability to make the successful transition from education to full-time paid employment.

The target population have a diagnosed (Education Health Care Plan) learning disability in the primary special educational need categories of 'communication & interaction' and/or 'cognition & learning'.

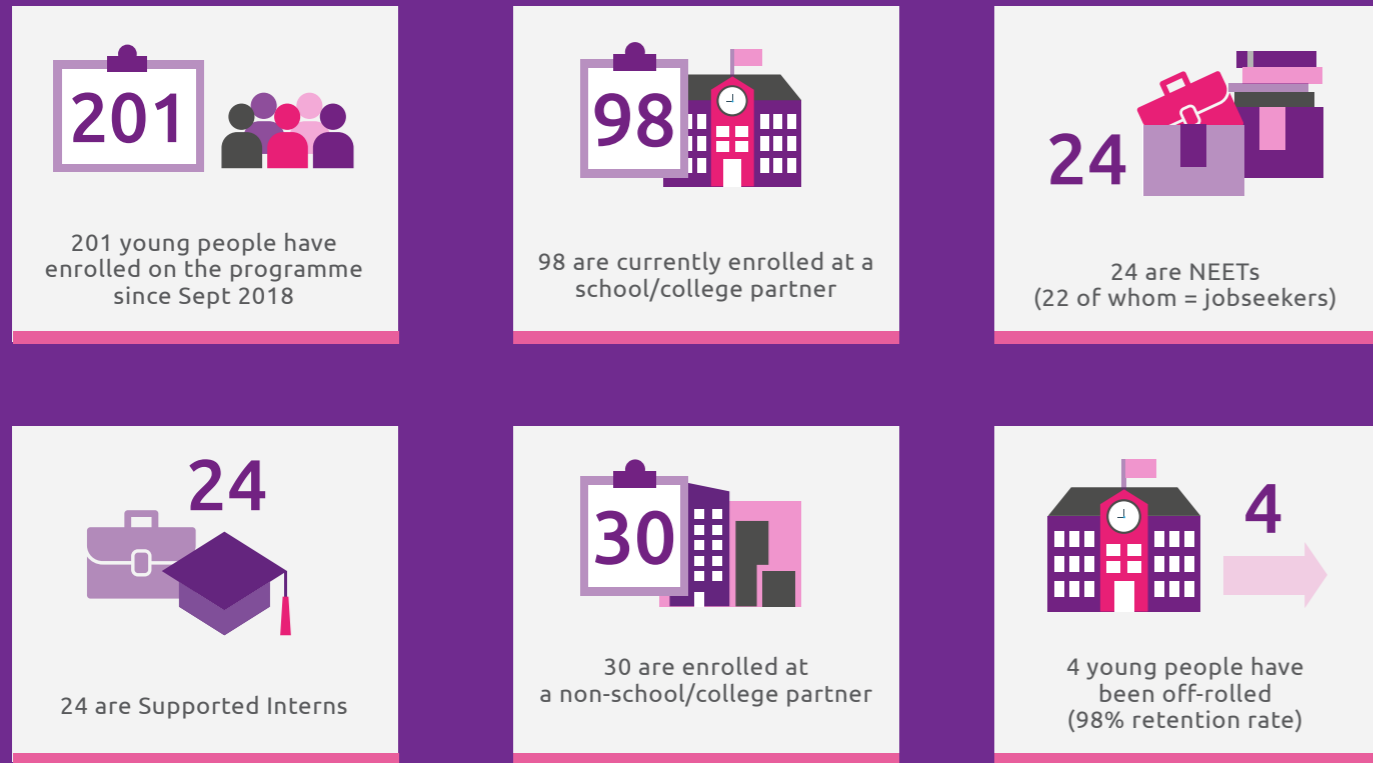
Trained Progression Coaches work with a caseload of 45+ young people through fully embedded partnerships with local special schools and further education colleges.

The programme operates in 3 regions, across 7 education partners in: London, Kent and The West Midlands. Progression Coaches are supported by a Business Partnership Manager in each region who is responsible for brokering workplace opportunities with local businesses.

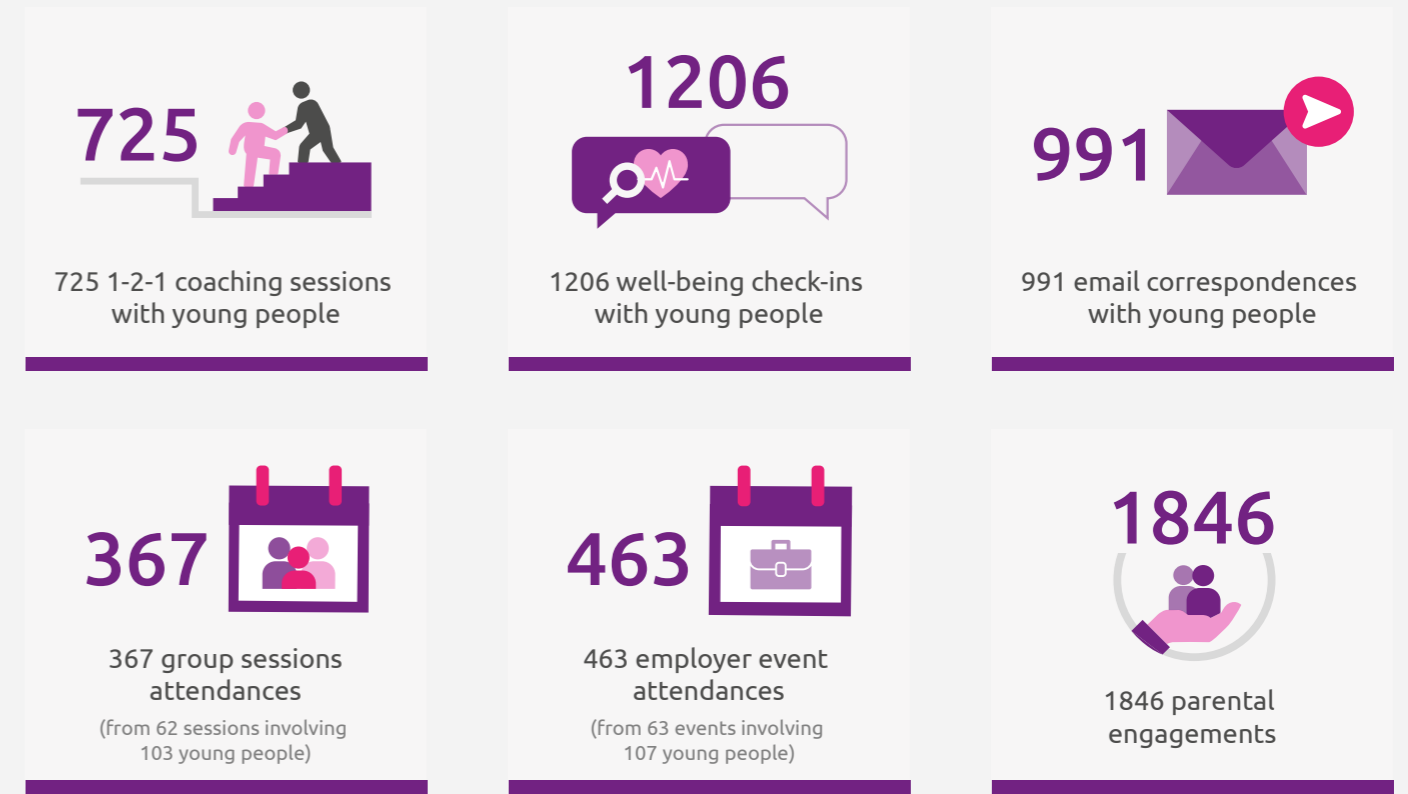
After a successful pilot year funded by DFN Foundation, a 5-year funded Social Impact Bond was launched in September 2018.



As of 31st December 2020:



Activity Data for 2020:



Employment:

- 21 young people have started paid employment
- 13 young people have sustained in paid employment of 16hrs+ a week for a minimum of 3 months
- 3 young people currently work 15hrs a week
- 5 young people have been in a paid job of 16hrs+ a week for between 1-3 months
- 3 young people have a confirmed job start date of 16hrs+ a week in early 2021

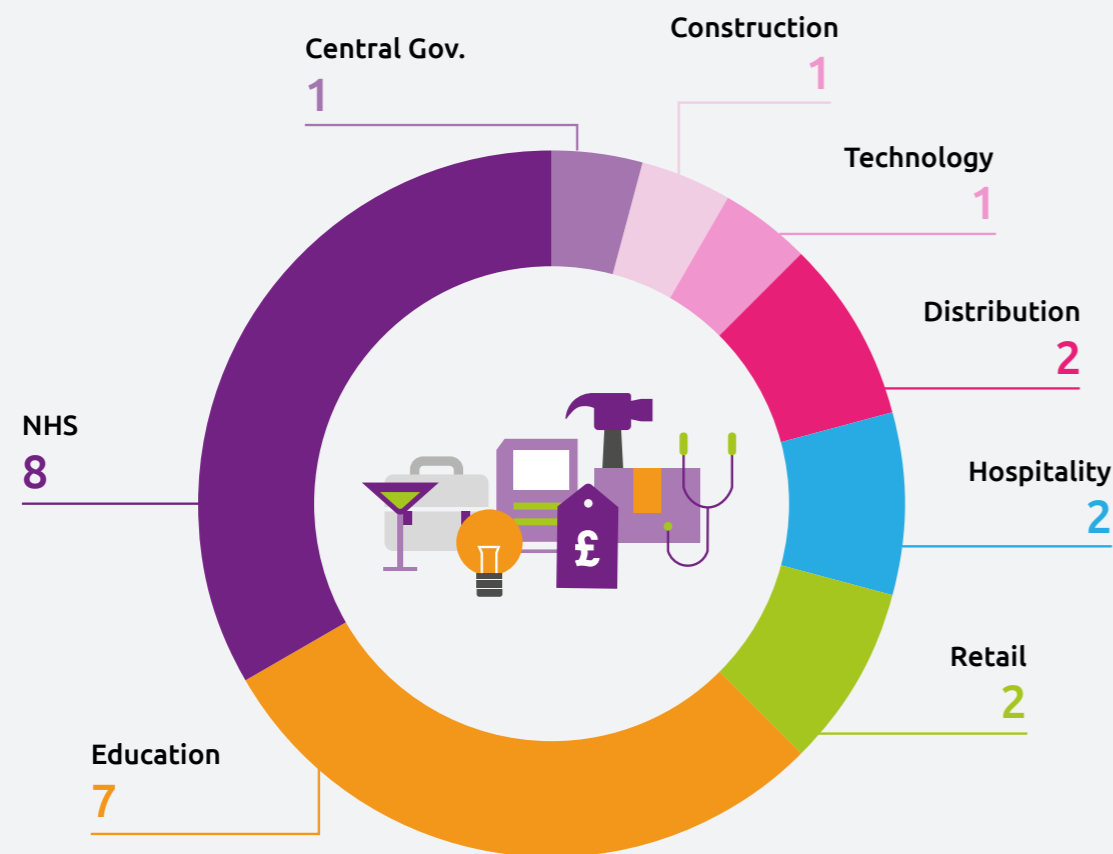
Links to DFN Project SEARCH:

Of the 24 young people in employment or with a confirmed job start date:

- 13 have transitioned to employment from a DFN Project SEARCH supported internship programme
- 12 from Moorfields Eye Hospital
- 1 from Great Ormond Street Hospital

Industry of Employment:

Of the 24 young people in employment or with a confirmed job start date:



Outstanding achievements in 2020:

- 2 DFN MoveForward/DFN Project SEARCH graduates who were nominated as Community Heroes for working in keyworker positions throughout lockdown
- 7 young people who successfully secured paid employment of 16hrs+ between the first lockdown (23/03/2020) and the end of the calendar year, 2 of whom work in Distribution
- An agreement with Heart of England Forest in the West Midlands to create 6 supported internship placements and corresponding transition pathways into paid employment



Operating during COVID-19 pandemic:

In early 2020, **DFN MoveForward** expertly amended their delivery in response to the COVID-19 disruption. The provision was quickly adapted to include a bi-weekly DFN MoveForward newsletter, follow-up resources and lockdown challenges, video content from employer networks and an internal CV checking and mock interview service. DFN MoveForward worked closely with the local authority and partner schools/colleges to ensure that Job Coaches were offering adequate remote support to all interns.

Despite challenges, there have been **many positives to celebrate**, namely: increased engagement of families, new and innovative digital offer, representation of Youth Voice within the DFN MoveForward newsletter and the demonstration of added value to school partners through regular reporting.

In September 2020 the programme was able to successfully pilot the delivery of a Virtual Business Mentoring programme with volunteers from Credit Suisse as well as offering a host of interactive virtual encounters with a range of businesses such as:

- Hoares Bank
- MOD Kineton Barracks
- The British Motor Museum
- RAF STEM Ambassadors
- NFU
- Open Doors Theatre
- DWP

DFN MoveForward also accessed virtual group work projects including:

- Online Etiquette
- (What it means to be) Young & Black
- The DFN MoveForward Ambassador programme
- Work Readiness Capabilities, e.g. Resilience, Confidence and Good Communication
- Transition Support, e.g. 6th form, college, supported internship and employment

The **DFN MoveForward** programme has remained employment focussed throughout by:

- Delivering regular Job Clubs to offer support with CVs, applications and interviews
- Generating employment opportunities through our existing network
- Signposting young people to supported employment services in their areas
- Working in partnership with Local Authorities and the DWP to identify opportunities for young people with SEND
- Targeting disability confident employers and those with renewed policies on Equality & Diversity
- Targeting employers within emerging industries such as Distribution

What do the young people and their parents have to say?

- **90%** of parents/carers said the difference DFN MoveForward and the Progression Coach had made to their child was significant or highly significant.
- **100%** of young people said the difference DFN MoveForward and the Progression Coach had made to them was significant or highly significant.
- Parents identified 'Support with child's transition' and 'Wellbeing check-ins' as the most useful types of support offered by DFN MoveForward
- Young people identified 'Calls to check in with you' and 'Group activities online' as the most useful types of support offered by DFN MoveForward.



Beth Pritchard, Corporate Social Responsibility Consultant, at NFU Mutual commented:

"Working with DFN MoveForward, our volunteers took part in a 'CV workshop' helping these young people with their communication skills and confidence alongside developing their CVs.

We received wonderful support from DFN MoveForward to prepare our volunteers. Ahead of the workshop the DFN MoveForward team delivered a 'celebrating diversity' training session which really helped us to understand the strengths and capabilities of these young people and how our volunteers

could offer support in the workshop. We received some great tips, such as to be literal and that silence is OK! To help the students feel connected during the workshop, our volunteers were encouraged to talk about their own skills and experiences.

The workshop itself was led expertly by DFN MoveForward, who offered help and support throughout. Thanks to this great facilitation, our volunteers felt extremely fulfilled and engaged from the experience. Safe to say, it was of mutual benefit! We would greatly welcome the opportunity to work with DFN MoveForward and their young people again in the future."



Chris Mossman from Kineton STEM team said:

"Our time working with young people with SEND has helped develop our community outreach delivery. The team is now more aware of the diverse needs of young people and we have each developed our communication and delivery skills. From the wider business perspective, it has given us a far better insight into the challenges young people with SEND face when attempting to enter employment and just how much of an asset these young people can be to employers. These young people have so much potential.

We will continue to work with the DFN MoveForward programme. The passion they have for their work is abundantly clear, they care deeply about the young people they work with. The benefit to our employees who support the DFN MoveForward programme is just as clear and we look forward to welcoming the young people back again soon".



"Thanks for all your help, I always was so nervous about what I would do after college, but you helped me to plan and be confident and now I love being on the Internship. I'm really happy"



"DFN MoveForward to me, is about giving everyone a chance so that our voices are heard and thinking about our futures"



DFN MoveForward Programme Sites

Organisation Name	County	Established
Samuel Rhodes School – Islington	London	2017
City & Islington College	London	2017
Bradfields Academy - Chatham	Kent/Medway	2017
MidKent College – Maidstone & Gillingham	Kent/Medway	2017
The Westminster School – Rowley Regis in Sandwell	West Midlands	2018
Welcombe Hills School – Stratford Upon Avon	West Midlands	2018
Woodlands School – Coleshill	West Midlands	2018
Stepping Stones School in Haslemere	Surrey	2019



 **ThinkForward**
Successful school to work transitions

Stepping Stones School



'Eliminating the Impossible' under the leadership of Jacqueline Silver

Jacqueline Silver
Headteacher

In May 2020 we welcomed our new Headteacher Jacqueline Silver to lead and evolve our school. Supported by the DFN Foundation and the COINS Foundation, Jacqueline is leading the school through a strategic review, taking her inspiration from Conan Doyle himself: 'Eliminating the Impossible.'

There is a renewed vigour and energy at Stepping Stones under the leadership of Jacqueline. It is a vibrant school with an unparalleled spirit. The school has successfully navigated the challenges of 2020 whilst remaining an optimistic and happy environment for all the students, some of whom struggle with mainstream schooling and rely heavily on the specialist and wide-ranging curriculum at Stepping Stones. The staff pride themselves on their pioneering approach to teaching as they embark upon their new year of learning, full of positivity and excitement for what lies ahead.

Stepping Stones is at a seminal point in its history. It has a proud legacy, and the alumni cadre is already testament to what an education from Stepping Stones can do for their confidence, resilience, forward-focus, and employability. Every pillar of a Stepping Stones education matters to the families, staff and learners who walk through the door: our curriculum offer; our therapy specialists; our desire to learn; our desire to improve our offer every day; and our restlessness to forge a path to being a **Centre of Excellence for SEND education**, not just nationally but globally. Jacqueline's leadership is instrumental to refocussing and leveraging the Stepping Stones proposition to make it truly fit for the future.

Our team of specialist staff share the ethos that each student deserves care, personal attention, and support to allow their transferable life skills to flourish. Our value statements are strong, but they live and breathe every day in what we do here.



Our culture at Stepping Stones is a key differentiator. We nurture it through everything we do.

- **We Believe:** We believe young people with SEND should realise the aspirations they deserve as they grow into themselves, their futures and take up their places in the workplace and wider world.
- **We Unite:** School and home work in proactive partnerships centred around each child. As a school we also use our position to build partnerships to grow awareness of inclusivity of opportunity for those with SEND.
- **We Empower:** Specialist teams empower each child to grow in self-awareness, self-esteem, and independence as they engage with each other, their learning, and their community.
- **We Engage:** We celebrate individual growth and offer a flexible, multi-disciplinary curriculum model which is bespoke to each learner.
- **We Explore:** We offer a broad range of subjects and experiences which extend beyond the classroom and school gates in a flexible timetable that allows for depth of discovery and for each young person to learn in their own way and at their own pace.
- **We Inspire:** We work to provide the right opportunities for each learner to develop the skills they need to gain competitive, integrated employment. We provide a targeted programme of employability coaching and layered skills and workplace experiences throughout.
- **We Connect:** Bringing it all together.

SteppingStones
S C H O O L



A triumvirate is a powerful entity: when the vision of a charitable foundation, an educational pathway for realising that vision, and the passion of a leader all align, it cannot fail to manifest lasting change. The DFN Foundation, Stepping Stones School, and the leadership of Jacqueline Silver are doing just that.

Jacqueline says of her recent appointment “I am so very fortunate to be afforded the opportunity to lead this remarkable school through the next phase of its lifetime and am passionate about changing the employability chances of young people with additional needs. Stepping Stones is set to make a real difference not only to the educational experience of our learners, but to their future prospects and lives ahead. The support of the DFN Foundation is invaluable to me as a school leader and I am grateful to have the unwavering support of a committed, passionate and engaged Governing body which provides thoughtful challenge and specialist insight as we navigate this important journey together. To be afforded the scope to evolve a school which provides an innovative and aspirational education that our young people truly deserve is the most exciting professional privilege I can imagine”.

Jacqueline Silver, Headteacher, December 2020

Securing Good Transitions:

A Resources Pack to support the Next Steps of Key Stage 4 Pupils with SEND.

The DFN Foundation was commissioned in 2020 by the National Association Special Educational Needs (nasen) to create a set of resources to support schools deliver best practice transition advice and guidance to year 11 pupils with SEND. Nasen’s value statement highlights their commitment to ensuring that expertise in SEND is available to each and every school and setting across the UK.



1. The DFN Foundation created resources under the following headings: Capturing Key Information ahead of Transition
2. Social Stories™ to support learners to understand, change and prepare for their next steps
3. Student-Centred Planning
4. Access and Communication tips
5. Navigating your LA local offer
6. Vocational Profiling Tools
7. Accessing Work: Inclusive Apprenticeships, Traineeships and Supported Internships
8. Examples of people who have completed supported internships and are now successfully in full-time work
9. Introduction to DWP Access to Work and Job Coach funding
10. Examples of schools based coaching programme (DFN MoveForward) that directly leads to employment

These resources will be available on the SEND Gateway from February 2021.

https://www.sendgateway.org.uk/resources/securing-good-transitions-resource-pack-support-next-steps-key-stage-4-pupils-send_

Finding Your Future Campaign 2020

In response to the pandemic, DFN Foundation and business and education leaders who collectively form National SEND Employment Forum (NSEF), launched the 'Finding Your Future' campaign. The aim of this was to keep young adults with SEND motivated, inspired, engaged and focused on one clear aim – securing permanent paid employment.

The motivational campaign featured a series of online videos from industry experts, influencers and programme graduates in full-time employment, with gold medal winning Paralympian Rachel Morris MBE sharing the first in the series of 40 videos. The campaign videos covered a variety of topics surrounding personal development within the workplace, as well as "top tips" and "how-tos" for viewers.

Claire Cookson,
CEO of DFN Foundation said:

"We were excited to launch the Finding Your Future campaign as a way to keep young people with learning disabilities engaged and upbeat during these times of uncertainty. Everyone deserves the right to aspire to the very best future and with recent COVID-19 related workplace closures, many young people with special educational needs and disabilities completing supported internships have had their pathway to employment put on hold.

This is why we feel it's more important than ever to continue our commitment to enabling positive change and help motivate young people throughout the UK with learning disabilities and autism, so we can continue to transform lives. We believe that Finding Your Future is a fantastic way to continue achieving this."

DFN Foundation supports HYF UK Kailash Nepal Enterprise and Employability Training Programme



The DFN Foundation are very proud to support the Himalayan Youth Foundation programmes to strengthen the quality of education and training and expand vocational activities for learners in the Kailash Home. We are delighted with this update from the chairman of the HYF:

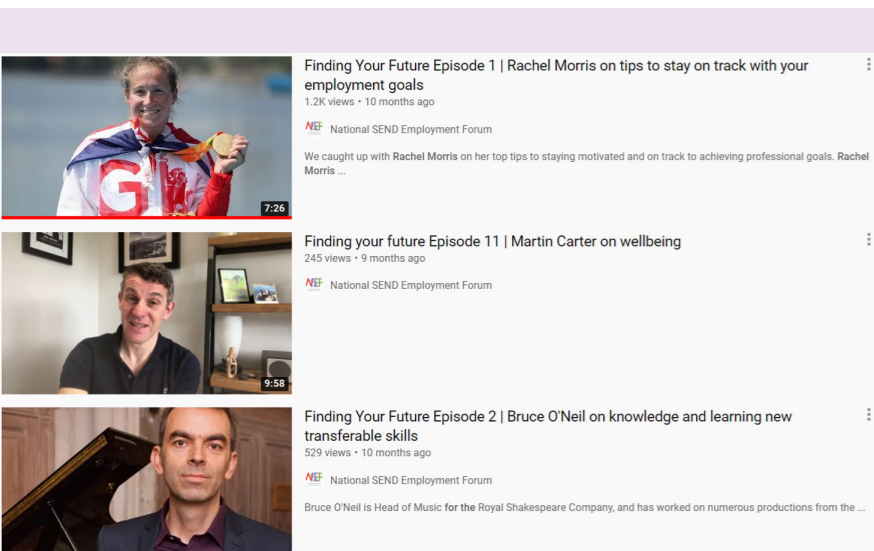
We are deeply grateful to the DFN Charitable Foundation for their ongoing support for our work. We currently support projects in Nepal and Bhutan working with more than 350 students aged 7 to 21.

Within Nepal, we aim to provide care and education for orphaned and vulnerable Nepalese and Tibetan refugee children based in a purpose-built hostel in Kathmandu. The Foundation currently sponsors two students. In the last year they have generously provided funds for an

enterprise and employability programme which aims to equip more than 100 young people with the learning tools and job skills necessary to raise the quality of life for themselves, their families and their communities.

With the support of the DFN Foundation we have provided greatly improved study facilities which dramatically improved access to education, creating better life opportunities, promoting greater inclusion, increased progress, higher attainment and well-being.

The ongoing support from the DFN Foundation has helped the children to become more independent in their attitudes and their ability to learn and develop as responsible adults.



These videos have been accessed by thousands of viewers, shared by the Careers and Enterprise Company and are now hosted on countless Local Authority sites.

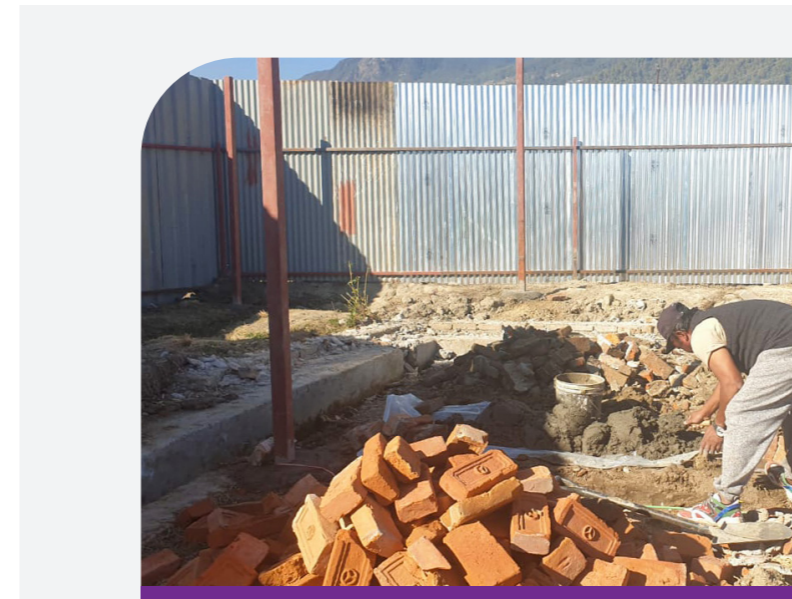
Description of the project

DFN Foundation funding has allowed us to build on our current work by developing the students' **Employability and Enterprise skills** so that they can be better prepared to successfully take their place in vocational training or higher education. We are now able to provide practical work experience in a range of vocational areas, encouraging good work skills. This has been done through the development of a small range of enterprises through which the students can learn the key skills needed to contribute to their success.

These **small enterprises** are allowing students to develop their skills in manufacturing, finance, design, information technology and sales whilst gaining real experience of the world of work. Support from the DFN Foundation has helped us set up a small-scale agricultural facility which is teaching children to cultivate, harvest and merchandise crops, and an inhouse bakery

which will use the agricultural products for consumption and sale. We will also develop a facility for the use and maintenance of mountain bikes providing skills which can be utilised in a growing tourist industry.

These facilities provide a work context, helping to develop the personal, social and independence skills needed to prepare them for life when they leave our centre. As part of this project, we are working with local business leaders who are providing market support, work placements, employment visits and training. The work of the DFN Foundation demonstrates very clearly the need to focus much more on giving students more **practical training** in those employability, independence and personal skills needed in order to make progress in the world of work and ensure more effective preparation for adult life after they leave the Kailash home in Kathmandu.



What do we want to achieve through this project?

We want all of our students to have the opportunity to experience practical work-related learning, visits to alternative places of employment, vocational training and work experience through the development of business links with the wider community. We hope to develop **employability skills** which enable them to transition successfully to the world of work.

These enterprises will allow the students to develop and apply financial skills which will be needed if the students are to understand how to plan and budget their income to meet their daily living costs.

The work will allow the development of the personal skills needed to work within

a team, to collaborate and successfully work towards the achievement of shared goals. Importantly, it will contribute more effectively to planning their future training, education or employment by developing their understanding of business through the development and application of enterprise skills.

Inevitably the project has slowed due to the COVID-19 pandemic and tight lockdown by the Nepalese Government. However pleasing progress is rapidly now being made with new polytunnels and land being brought into production. In addition the bakery has been operating effectively since the new equipment was provided by the DFN Foundation grant.



Driving Positive Change with the Centre for Social Justice


The DFN Foundation has commissioned pioneering research with the Centre for Social Justice (CSJ). The CSJ was established as an independent think-tank in 2004 to put social justice at the heart of British politics and make policy recommendations to tackle the root causes of poverty.


The recent paper **Rethink Disability at Work** explores barriers for individuals with learning disabilities and developing a more progressive approach to employability training for young people with learning difficulties, disabilities and autism.


The DFN Foundation is currently working with the Centre for Social Justice on the Disability Commission with Lord Kevin Shinkwin as Chair and David Forbes-Nixon as Vice Chair.



See download links to the Reports we have commissioned and collaborated on with the CSJ.

- 

Download 2017 CSJ report
<https://bit.ly/30dh10B>
- 

Download 2020 CSJ report
<https://bit.ly/3dJN7on>
- 

Disability Commission 2021
<https://bit.ly/3apwqiB>



Disability Commission

It is 25 years since the Government's Disability Discrimination Act (DDA), which outlawed unjustifiable disability discrimination, and 10 years since the Equality Act, which superseded it, became law. However, according to new polling by Savanta ComRes, only half of UK adults think that non-disabled people's attitudes to disabled people have got better in that time.

In their 2019 General Election Manifesto, the Government outlined plans to publish a National Disability Strategy as well as reduce the stubborn disability employment gap. There is an under-representation of disabled people in all walks of life from business, the arts, politics and, most of all in senior management positions. While one in five (22%) UK adults fit the legal definition of disability, just one in eight (12%) say they consider themselves to be disabled. This discrepancy could reflect the stigma of disability which remains all too real for some.

Lord Kevin Shinkwin commented: "This is why I'm chairing a new commission on disability with the CSJ today and David Forbes-Nixon as my Vice-Chair. We are supported by high profile commissioners including major business leaders from Deloitte, EY and Clifford Chance, a former Minister for disability and Baroness Tanni Grey-Thompson one of our greatest Paralympians and a tireless campaigner on disability issues.

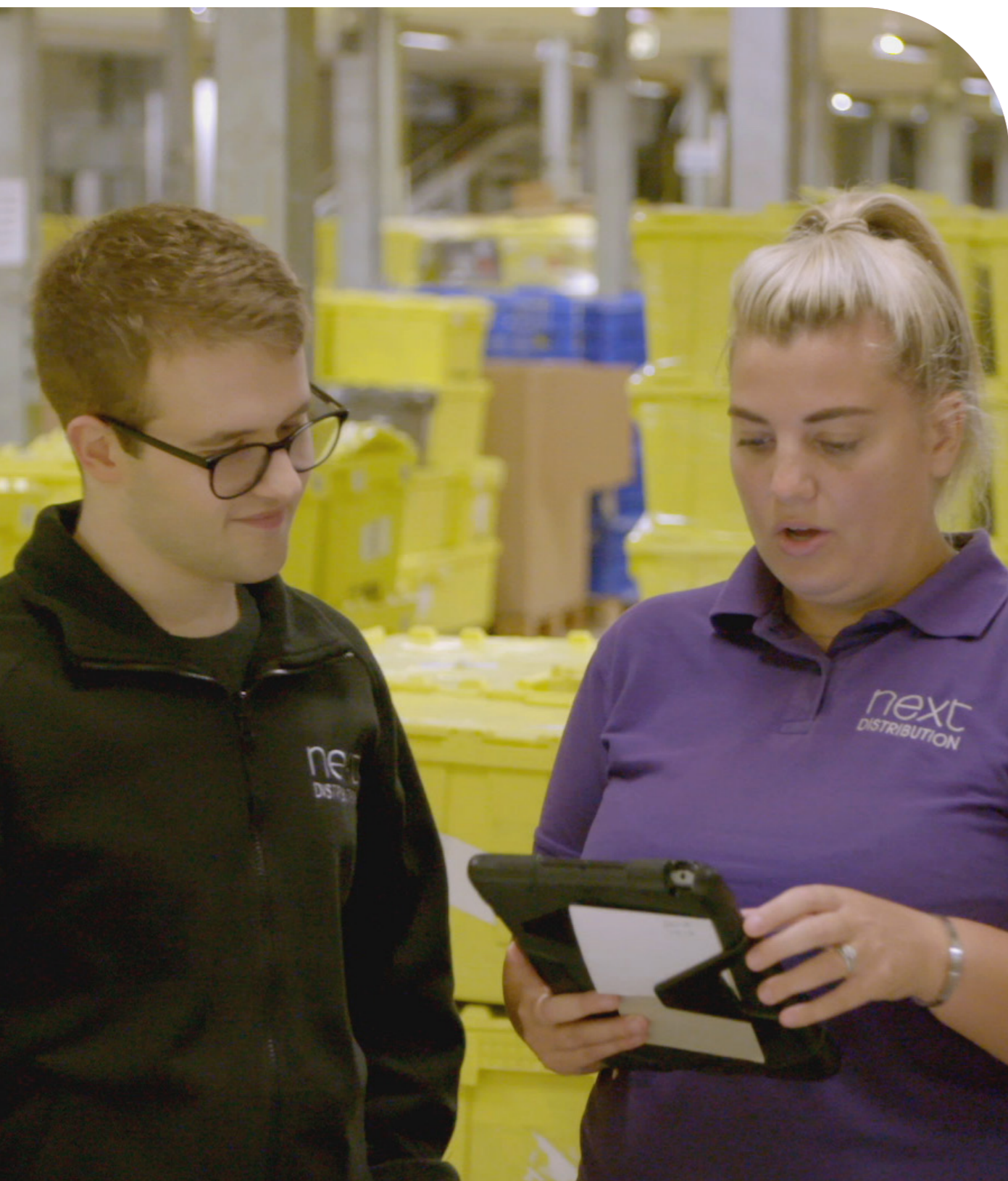


Government needs to find the confidence to look beyond the litany of strategies which litter the last 25 years and instead formulate and implement, within the lifetime of this Parliament, an action plan for tangible, measurable progress.

We're also looking beyond the structures of government towards business and employers which is why we have roped in business leaders to support our work. Being able to make progress in the disability employment field depends so much on also being able to show business what actually works. We will look at successful initiatives such as DFN Project SEARCH which has a success rate of over 60% in getting disabled people into real jobs compared to 6% for Government-backed schemes. That's a ten-fold difference to people's lives".

The Disability Commission has been set up to secure a step change in the opportunities available to disabled people, especially in employment, to live their lives fully and as they want to. Its message is simple – **'Levelling up: time to get it done'**.

Employability



Aims of the DFN Foundation

- Striving to provide innovative skills-based training that better prepares learners with additional learning needs and disabilities for the workplace whilst opening the door to a wide variety of employment opportunities.
- Increasing convenient and quick access to internships and apprenticeships for young people with learning disabilities and autism, giving them a gateway into the workplace.
- Promoting greater employer engagement and eliminating the employment gap by positively influencing current practices to provide disabled youths with their full entitlement to effective employability training.

How the DFN Foundation plans to achieve its ambitions

- Sharing evidence based research to influence best practices that helps young people with learning disabilities in paid employment to thrive and sustain their place in a professional environment.
- Engaging a partner organisation to develop and implement a proposal which will deliver innovative employability skills strategies that support students with special needs into work.
- Lobbying and positively influencing central and local governments, DWP, employers and other voluntary organisations to target their efforts and resources to support programmes which meet our ambitions for change.



DFN Project SEARCH

The DFN Foundation continues to support the growth and evolution of DFN Project SEARCH during the global pandemic. We are delighted to share these key updates about the pioneering work undertaken by DFN Project SEARCH:

Continuing to Achieve High Goals

“The immense challenges that we are all facing have not slowed DFN Project SEARCH down.

Data from the 2018/19 cohort show that we have recruited more interns and from more diverse backgrounds. Despite the impact of COVID-19, we have supported more people into work in 2020 than in the previous years. We have also established 10 new sites and strengthened our

engagement with local authorities and national governments.

The most rewarding finding is that nearly **60%** of our interns have secured paid jobs and **55%** retained these despite the pandemic. These incredible individuals have secured key worker roles during the crisis, rising to the challenge of frontline roles and doing amazing work in vital industries from healthcare to logistics.

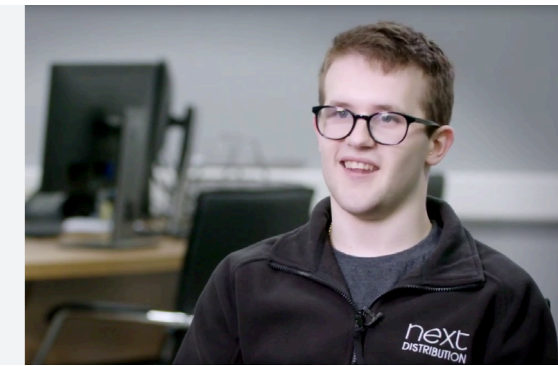
Our numbers*

	2016-2017	2017-2018	2018-2019
Number of Sites	39	46	56
Number of Interns Enrolled	368	423	515
Number of Interns Completed	338	399	477
Full-time Jobs	192	239	254
Total Jobs	227	272	295

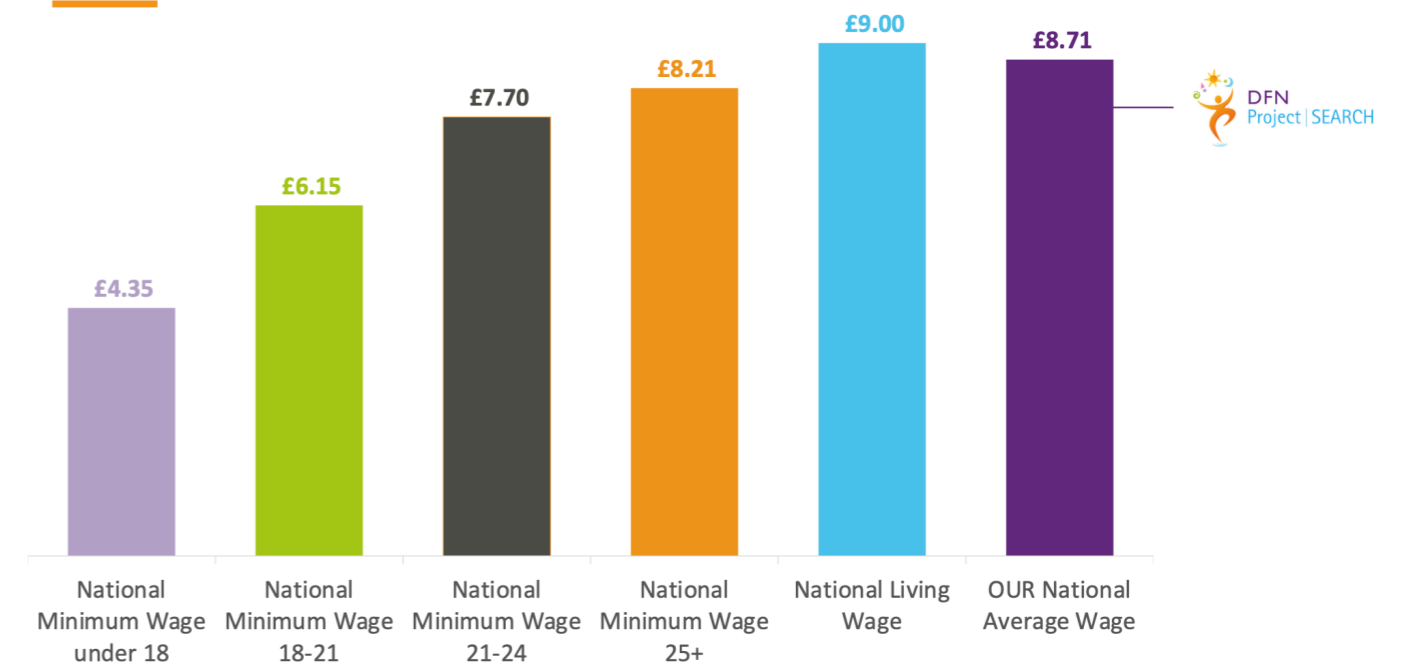
* The data collection occurs nine months after the interns completed their programme. Our latest data come from the 2018/19 cohort and were collected in June 2020.

Achievements

Our interns have secured jobs that pay significantly more than the average, even though in many cases this was their first work experience.



Salaries compared to National and Living wage



Our national average wage for 2018/2019 is £8.71 despite the fact that the majority of our interns are under 25!

DFN Project SEARCH Design Principles

01

Uncompromising **Aspirations and Ambitions** for young people: full-time, paid employment, leading to independent, fulfilled lives.

02

Supported Internships through **Total Immersion** in the Workplace.

03

Enabling **Systems Change** in disability inclusion by collaboration across the eco-system: local authority, educators, employers, supported employment, parents.

04

Leveraging DFN-Project SEARCH's **Scale** to influence policy, harvest data and learning, build a movement.

05

Suite of **Value-add Services and Resources** enabling DFN Project SEARCH sites to implement high-quality supported internships with high employment outcomes (70%+) from year 1, for 10-12 YP per year, per site.

Spotlight on Scotland

Scottish Minister for Business, Fair Work and Skills, **Jamie Hepburn** joined DFN Project SEARCH to celebrate 10 years at University Hospital Wishaw. 78 students have graduated through our programme with 56 going on to get paid jobs. Many now remain in frontline roles across NHS Lanarkshire, making a huge impact during the pandemic. The programme has been such a success that it was rolled-out to further sites at University Hospital Hairmyres and University Hospital Monklands.

Our growing engagement with the Government is leading to incredible results. The Department for Work and Pensions has agreed that Access to Work applications and subsequent claims could be made for DFN Project SEARCH programmes in Scotland.



We also sit on the Supported Employment Review Steering Group (chaired by the Scottish Commission for Learning Disability), which is undertaking the review as part of their commitments stated in the document 'A Fairer Scotland for Disabled People: Employment Action Plan'.

Currently with 16 sites across Scotland, DFN Project SEARCH has helped **485 young people** in Scotland obtain employment since 2010.





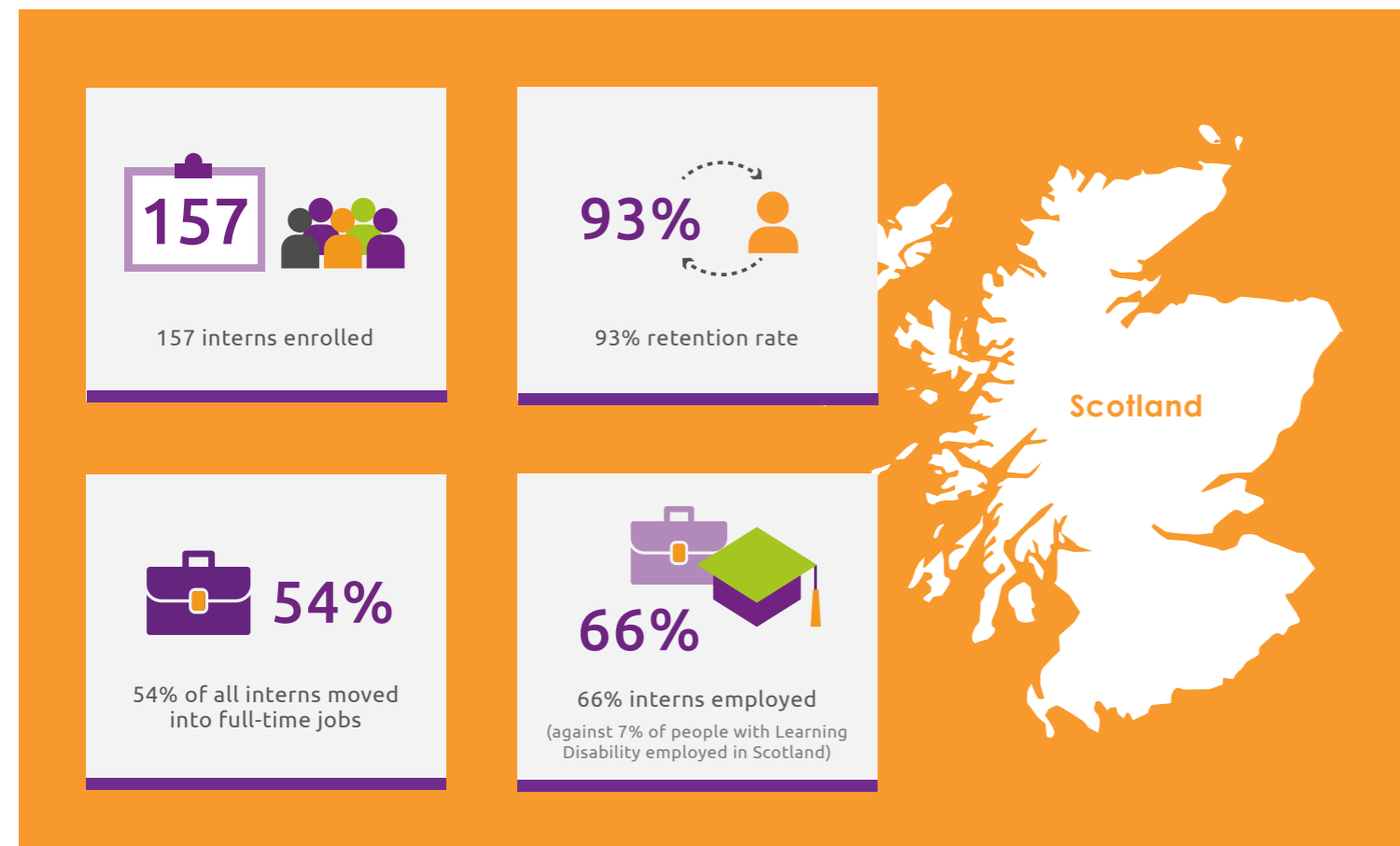
“My experience on Project SEARCH was amazing, Project SEARCH changed my life massively and gave me so much more independence and confidence.

I have a little boy called Shaun who has shared the experience with me and gaining a job has helped me provide for Shaun and become the best mum I can be. Working full time with a four-year-old and being a single parent has made me the person who I am today”

Sophie Hathaway, Hospital Porter from Uddingston



Our numbers in Scotland



A More Diverse Programme

Equality, equity and diversity are embedded in all we do. In the 2018/19 cohort we recruited more interns and from more diverse backgrounds than in any other cohort. This represents a 25% increase in the number of interns from BAME backgrounds enrolled in our programme, and their proportion is now in line with or above regional averages in most parts of the UK.

Our achievements are not only related to recruitment as interns have the same probability of completing the programme and were working in the same types of job and sector regardless of their gender, ethnic background or primary disability, reinforcing the largely equalitarian success of the programme.

Ethnicity in percentages compared to regional statistics

	BAME Population %	BAME Interns %	White Population %	White Interns %
East	9.2	5.0	90.8	95.0
East Midlands	10.8	0.0	89.3	100.0
London	40.2	60.0	59.8	40.0
North West	9.8	9.7	90.2	90.3
Scotland	6.0	4.4	94.0	95.6
South East	9.3	8.3	90.6	91.7
South West	4.6	6.1	95.4	93.9
Wales	4.4	6.6	95.6	93.4
West Midlands	17.4	22.2	82.8	77.8
Yorkshire and The Humber	11.2	12.5	88.8	87.5

In a striking contrast with ethnicity pay figures in the UK, which show that White employees earn on average 2.3% more than BAME employees, **our interns** from BAME backgrounds earn 4.2% **more** than their White peers.

UK statistics show that the ethnicity pay gap is largest in London, where White employees earn 23.8% more than BAME employees. Our data show that **interns from BAME and White backgrounds** were earning almost exactly the same wages on average, in fact, they were 0.2% higher for BAME.

Equally important is the fact that data disaggregation show similar wages for all ethnic groups.

This is a key finding that strongly supports the idea that interns are not facing any kind of ethnic discrimination.

We are also pleased to say that interns, regardless of their primary disability, are being paid similar wages and working similar hours, which further evidences the equalitarian success of our programme.

We have also recruited more women than in the previous years and our gender pay gap is narrowing. While in the UK men earn on average 6.5% more than women, our gender pay gap was 1.7%. We have started in-depth research on structural factors that might be related to such difference to ensure we close the gap.



Lela Kogbara, director at [Black Thrive](#) and trustee at DFN Project SEARCH

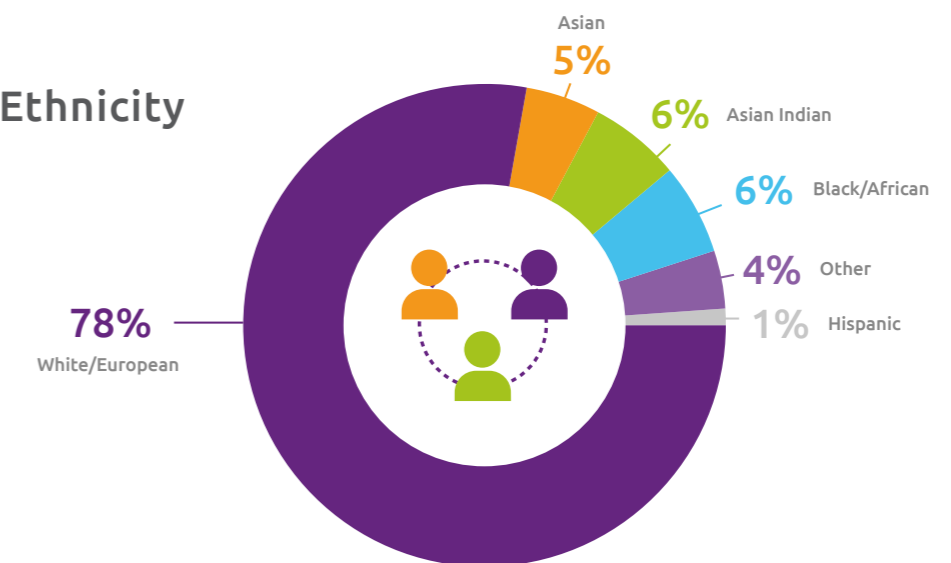
“For most of my adult life I have been heartbroken at the inequalities faced by people with a learning disability and people from Black and minority ethnic backgrounds in almost every sphere of life. As a trustee of DFN Project SEARCH as well as director of [Black Thrive Global](#), very little has given me more hope for a fairer world than the employment outcomes that Project SEARCH achieves for young people with a learning disability who are from BAME backgrounds. The results are so much better than the normal employment outcomes in local areas, which means that these young people can look forward to a lifetime of social inclusion and personal fulfilment.”



Gender



Ethnicity

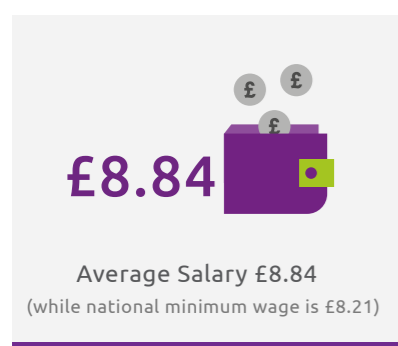
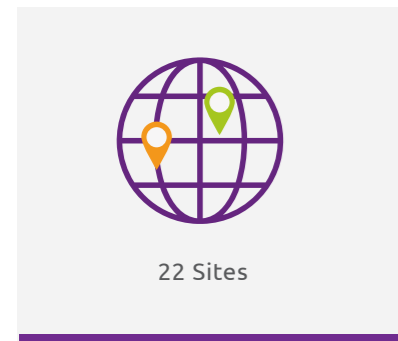


Spotlight on the NHS

Of the 34 hospital programmes operating in the previous cohort, 22 were NHS England sites. We also had nine hospital sites in Scotland, two in Wales and one in Ireland, which illustrates our geographical reach. The partnership with the NHS, local

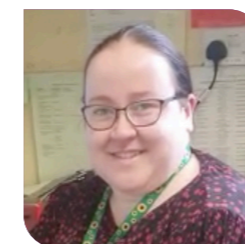
authorities, colleges and schools and supported employment providers shows that DFN Project SEARCH evidence-based workplace immersion programme is a force for transformative change in the lives of young people with learning disabilities.

NHS England



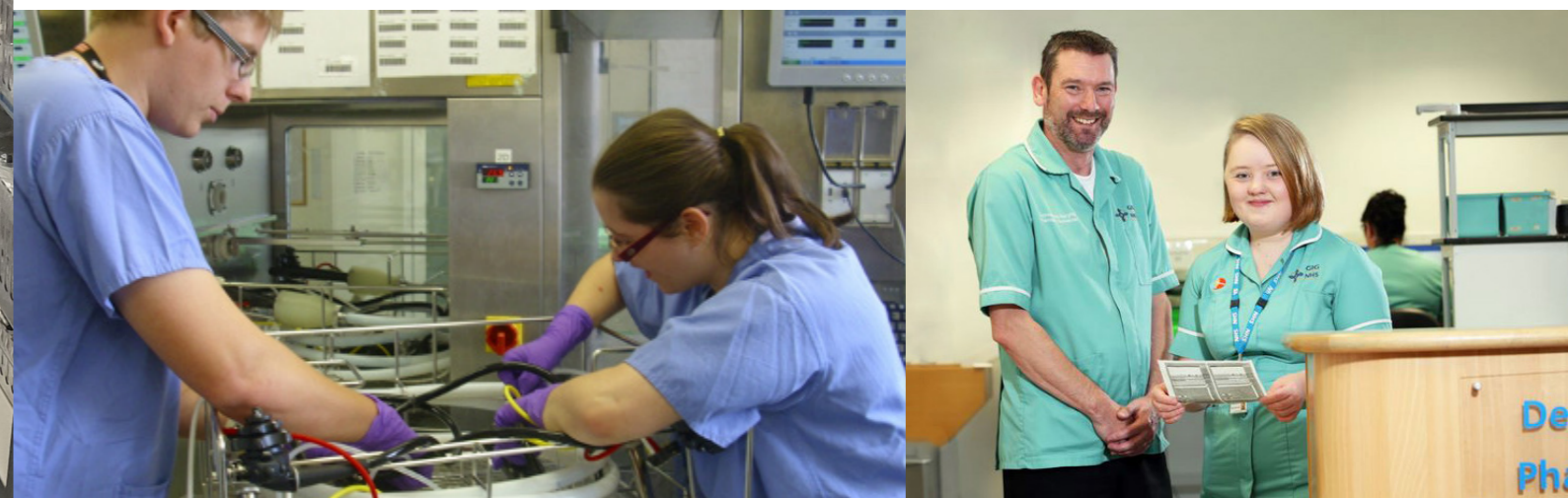
Ian Stenton,
Head of Sustainability - Liverpool University Hospitals
NHS Foundation Trust

“Being involved in the roll out of a new DFN Project SEARCH programme has been really rewarding and the highlight of the past year for me personally. The steering group has faced challenges introducing a programme during COVID-19 restrictions but has remained very focused on producing the best outcomes for our interns, whilst being flexible in our approach. The incredible group of interns have shown boundless resilience and enthusiasm, becoming great ambassadors for the College, the Hospital Trust and DFN Project SEARCH.”



Abbie Murray,
OT Clerk Officer, Naas General Hospital, Ireland

“When I came to DFN Project SEARCH I gained a lot of new skills... I enjoyed the laughs and gaining new skills which sometimes I thought I was never going to be able to do but also I was surprised when I did them.”



Listening to our Partners

An external research company reached out to our partners to find out their views about DFN Project SEARCH. They said that DFN Project SEARCH effectively responded to

COVID-19, provided positive online support and has clear objectives and vision for the future.

Our Partners...

96%

agree that the programme is **high aiming**

94%

agree that we are a **professional** and **respected** organisation

95%

agree that we **achieve results**

94%

agree that we are committed to **continued improvement**



We are thrilled to say that you gave us a Net Promotor Score of **66.5%** which according to Bain & Co. an NPS of 50+ is regarded as **Excellent** and +70 is **World Class**.

In response to the different needs of our partners, we have increased the number of training, network meetings and surgery

sessions, have launched a new website and an app to improve communication, and we will launch the app more widely in 2021.

Our partners said that in the past years DFN Project SEARCH has...



Improved UK reputation



Improved central team since DFN control



Clearer objectives and vision



Positive online support



Impressively responded to COVID-19



Benefited from links with Project SEARCH USA

Our Response to COVID-19

We have responded to the pandemic on several fronts. We wrote a UK specific Autumn Term Curriculum that incorporates best practice in education and employment support. We have anglicised all materials developed by our Project SEARCH colleagues in the United States and continued to adapt content to the UK context, including in relation to job market and government support.

To minimise disruption, our programme specialists worked closely with sites, education providers and job coaches to develop new and innovative strategies for remote training.

We expanded our training offer for all stakeholders considerably, ensuring that we placed a greater focus on job development, new job search and recruitment practices and best practice training using systematic instruction.

All of this kept stakeholders and interns focused on one thing: the outcome of competitive, integrated paid employment.

We also **launched an app** to enable our partners feel more connected and supported. In line with this we designed and ran online surgery sessions for each of our specialist stakeholder groups. We have also been the voice of all **DFN Project SEARCH stakeholders and beneficiaries** in discussions with both the Department for Education and Department for Work and Pensions. We have enjoyed a strong working relationship with both Government departments as we, collectively, came together to ensure that intern experience and support has remained a priority throughout the pandemic.

It is also important to remember that **32** of our interns secured jobs when the country was in full lockdown.



DFN Project SEARCH has remained high on the agenda for many of our new partners despite the global challenges they have faced. Remarkably this has meant that we have also been able to establish **six new sites** during these times of lockdown, with over 60 new interns benefiting from this experience.

We recognise the next few years are going to be challenging but we know that our interns have the skills and abilities to make an invaluable contribution. We also know that we have the training programmes and networks to support that transition.



Emma Price,

Mother of Bobby, a graduate working at a London NHS Hospital

"[Bobby] always says to me – I work for the NHS and the NHS needs me, and I just find it so inspiring. It just makes me so proud to see him in his scrubs working at the hospital and doing his part for the NHS, young people like Bobby are making such an amazing impact... Without DFN Project SEARCH and the support he got along the way, he wouldn't be where he is today."



Steve Poole,

Employment consultant & Job Coach - Ealing Mencap

"DFN Project SEARCH could not have been more supportive during the COVID-19 epidemic so far. Their staff have really made the difference between sink or swim for our Project."



Influential and Inspiring PR

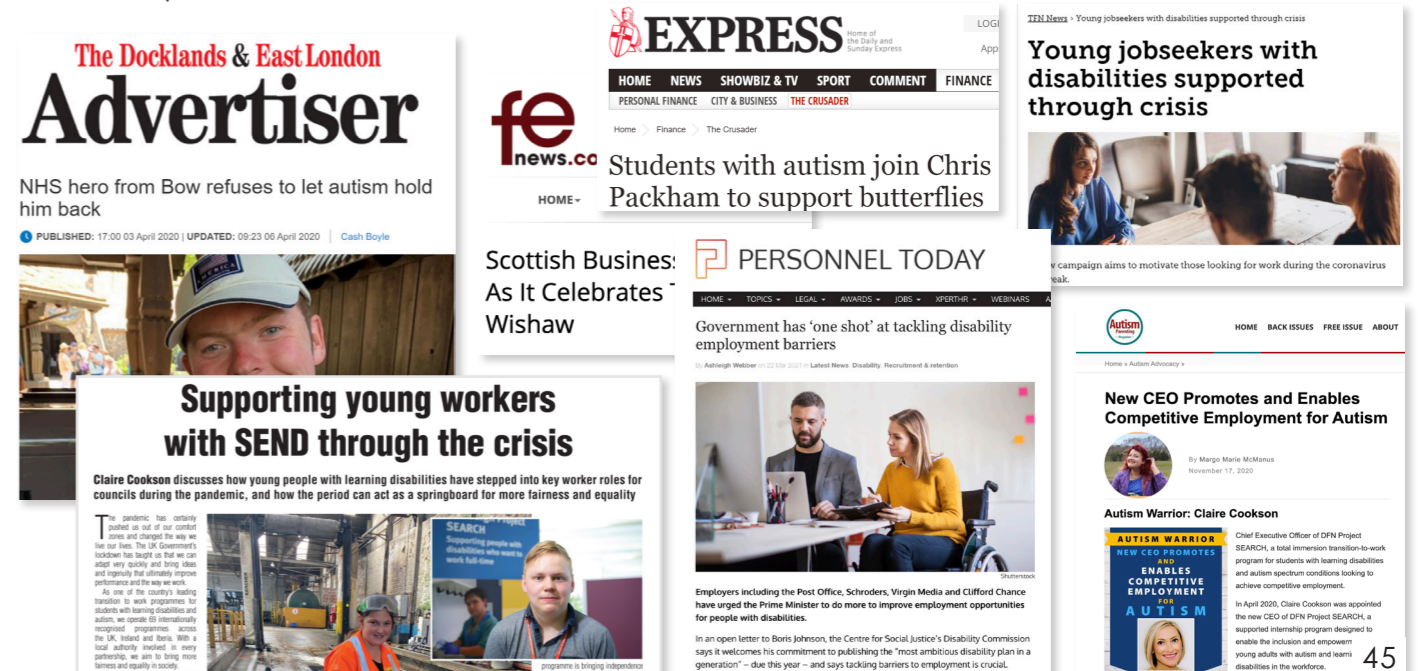
One of things **DFN Project SEARCH** has been so proud of during the pandemic is the number graduates who have been working in and securing key worker roles with NHS partners and local authorities. There have been so many inspiring stories that challenge the social hierarchy and force us to re-assess what we consider key and essential roles to be.

Working with our PR partner we have developed an **integrated PR and Social strategy** that has positioned our inspirational stories, extended our reach and enabled us to grow the awareness of our mission to transform the life chances of young people with learning disabilities and autism.

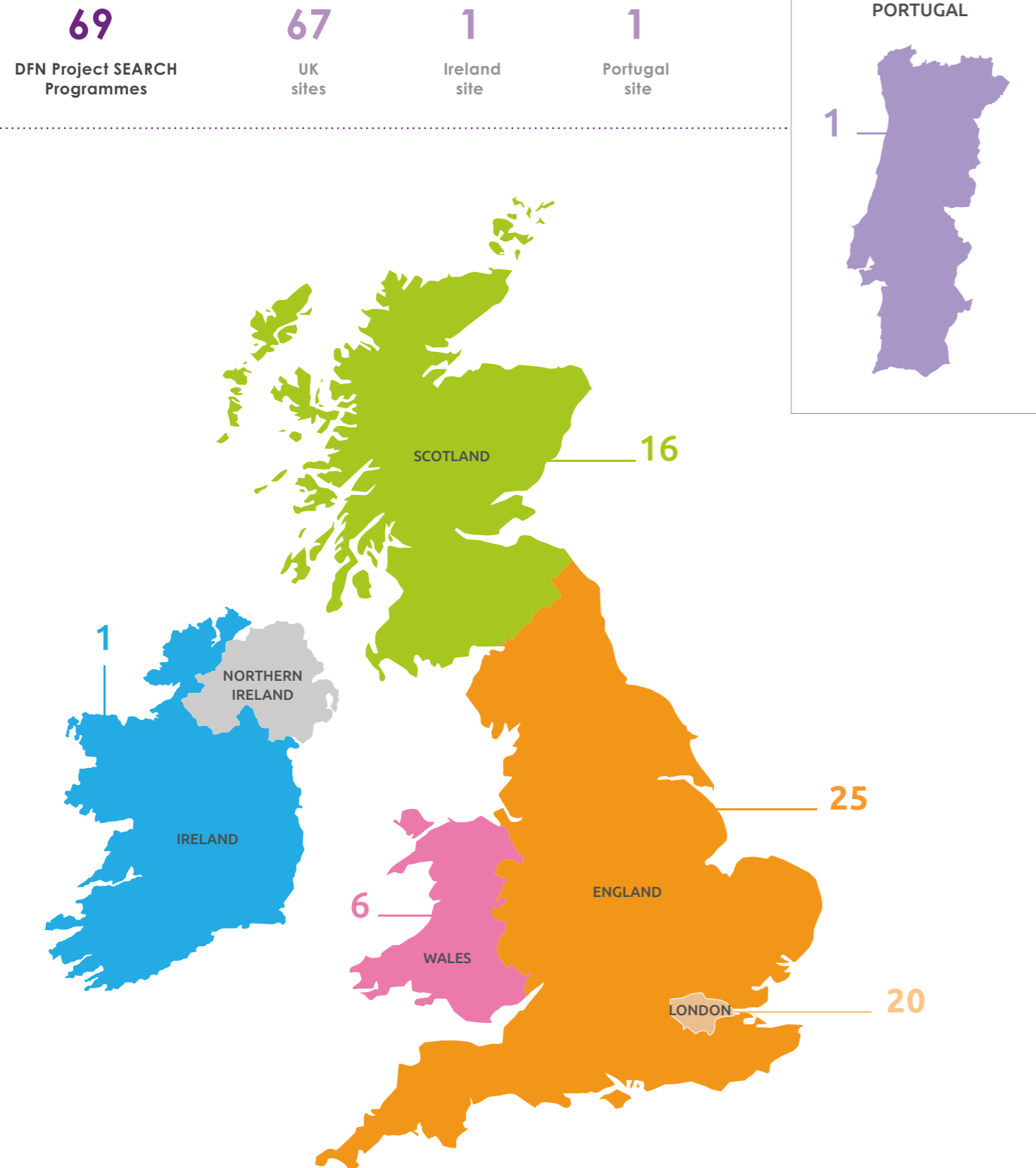
We are developing our ambassador strategy with leaders across business, education, local government and the young people who are smashing stereotypes and reaching their full potential.

Our CEO Claire Cookson and Chairman David Forbes-Nixon have also been driving the debate and helping to shape the policy agenda as the Government gets set to announce its National Strategy for Disabled People.

We can't miss this opportunity and hope the recommendations of the Disability Commission will be embraced by the Prime Minister in his upcoming strategy so we can draw on this extraordinary and untapped talent pool."



Our Programme Reach



England

Organisation Name	City	Established
Bath and North East Somerset Council	Bath	2010-11
Blackpool Council	Blackpool	2014-15
Bradford Teaching Hospitals NHS Foundation Trust	Bradford, West Yorkshire	2013-14
Calderdale Royal Hospital	Halifax	2017-18
Calico	Burnley	2018-19
East Sussex Healthcare Trust Eastbourne District General Hospital	Eastbourne, East Sussex	2014-15
Gulliver's Resort	Rother Valley, Rotherham	2020-21
James Paget University Hospital NHS Foundation Trust	Great Yarmouth	2019-20
Lancashire County Council	Preston	2018-19
Liverpool University Hospitals, Liverpool Heart and Chest, ISS and Avrenim	Liverpool	2020-21
Mid Yorkshire NHS Trust - Dewsbury	Dewsbury	2019-20
Mid Yorkshire NHS Trust - Pinderfields	Pinderfields	2017-18
Musgrove Park Hospital	Taunton	2015-16
Next - Furniture	Armthorpe	2019-20
Next Distribution Ltd.	Wath-Upon-Dearne	2014-15
Next Stadium	Wakefield	2018-19
Next Toftshaw	Bradford	2018-19

Organisation Name	City	Established
Norfolk and Norwich University Hospitals NHS Foundation Trust	Norwich	2008-09
NORSE Facilities Management and Services	Norwich	2009-10
North Devon District Hospital	Barnstaple	2013-14
Nottingham University Hospitals NHS Trust	Nottingham	2011-12
Plymouth Hospitals NHS Trust	Plymouth	2010-11
Royal United Hospital Bath NHS Trust	Bath	2009-10
The Royal Berkshire Hospital	Reading	2011-12
University Hospital North Midlands	Stoke On Trent	2018-19
University Hospitals of Derby & Burton NHS Foundation Trust, UHDB	Derby	2019-20
University of the West of England	Bristol	2019-20
University of Warwick	Coventry	2020-21

London

Organisation Name	City	Established
Great Ormond Street Hospital	London	2016-17
GSK Global Headquarters	Brentford (London)	2012-13
Hilton London Heathrow Airport Terminal 5	London	2014-15
Homerton University Hospital	London	2018-19
Imperial College Healthcare NHS Trust (Charing Cross Hospital)	London	2016-17
London Borough of Hackney	London	2019-20

Organisation Name	City	Established
London Borough of Hillingdon	London	2020-21
London Borough of Hounslow	London	2015-16
London Heathrow Marriott	London	2016-17
Moorfields Eye Hospital	London	2018-19
Newham University Hospital	London	2015-16
North Middlesex University Hospital	London	2019-20
Northwick Park Hospital, London	London	2017-18
Phoenix Community Housing	London	2019-20
Public Health England Colindale - National Infection Service	Colindale (London)	2016-17
Queen Mary University London	London	2019-20
Royal London Hospital	London	2015-16
St. George's University Hospitals NHS Foundation Trust	London	2012-13
The Whittington Hospital	London	2019-20
Wembley Park Site, Brent Civic Centre	Wembley	2020-21
West Middlesex University Hospital - Chelsea and Westminster Hospital NHS Foundation Trust	London	2018-19
Whipps Cross University Hospital	London	2013-14

Scotland

Organisation Name	City	Established
Borders General Hospital	Melrose	2016-17
City of Edinburgh Council	Edinburgh	2014-15
Culzean Castle	South Ayrshire	2018-19
Dumfries and Galloway Council	Dumfries	2015-16
Forth Valley Royal Hospital	Larbert	2018-19
NHS Greater Glasgow and Clyde Royal Infirmary	Glasgow	2013-14
NHS Lanarkshire-University Hairmyres Hospital	East Kilbride	2012-13
NHS Lothian Western General Hospital	Edinburgh	2015-16
Renfrewshire Council	Paisley	2015-16
Shetland Islands Council	Lerwick	2018-19
St. John's Hospital	Livingston	2016-17
University Hospital Monklands	Airdrie	2012-13
University Hospital Wishaw	Wishaw	2010-11
University Hospital, Crosshouse	Kilmarnock	2013-14
University of Aberdeen	Aberdeen	2013-14
University of Strathclyde	Glasgow	2014-15

Wales

Organisation Name	City	Established
CTMUHB - Princess of Wales Hospital	Bridgend	2018-19
Betsi Cadwaladr University Health Board	Bangor	2017-18
Cardiff University	Cardiff	2016-17
ClwydAlyn, St. Asaph	Saint Asaph	2019-20
DOW Silicones UK Limited	Barry	2019-20
Morrison Hospital SBUH	Swansea	2019-20
Transport for Wales	Pontypridd	2020-21

Ireland

Organisation Name	City	Established
Naas General Hospital	County Kildare	2013-14

Portugal

Organisation Name	City	Established
Jerónimo Martins	Braga	2017-18

Healthcare



Funding Innovative Myeloma Research

The DFN Foundation is proud to be supporting **Myeloma UK** and the **Institute of Cancer Research (ICR)** in London through the establishment of The Jacquelin Forbes-Nixon research Fellowship.

The DFN Foundation is investing £1m over a five to six-year period in support of Myeloma UK's broader research strategy and collaboration with the Institute of Cancer Research.

Jacquelin Forbes-Nixon Fellowship

What we have accomplished:

The JFN Fellowship provided essential support for Dr Kaiser as Chief Investigator of the OPTIMUM (MUKnine) trial and his team's research on the molecular structure of high-risk myeloma. The following milestones were achieved during 2020:

- Despite the COVID-19 pandemic causing disruption in many areas of healthcare throughout 2020, the OPTIMUM (MUKnine) trial continued as planned. Treatment was adapted to ensure participant safety through active engagement, e.g. by switching therapies to home delivery or shorter subcutaneous injections, reducing potential exposure risk to the virus. No COVID-related deaths were reported for trial participants.
- Patient trial follow-up matured throughout 2020, which will enable reporting of key outcomes of the OPTIMUM trial in 2021 and beyond.
- We have continued to work on making innovative molecular diagnostics more widely accessible for patients treated in the UK and elsewhere. We are working with a diagnostics company to build a case for reimbursement of gene expression risk profiling in the NHS based on OPTIMUM.
- Interim outcomes regarding molecular screening in the trial were presented at the virtual British Society of Haematology annual conference, widening the audience and impact of our research.
- We have started new research into the immunological impact of high-risk myeloma by investigating immune profiles of patients at trial entry and throughout therapy by multi-parametric flow cytometry.



Dr Martin Kaiser

- In-depth analysis of molecular features of high-risk myeloma from OPTIMUM using Whole Genome Sequencing and Long-Range Sequencing is ongoing.
- Our work on the genetic landscape of high-risk tumours at presentation and the genomic evolutionary processes involved in relapse and development of resistance to treatment were successfully

published in peer-reviewed journals (see section below). We also published results of our work on mutational changes in mitochondria, the 'powerhouse' of the cell, in high-risk myeloma, as well as our clinical review of myeloma patients with early relapse after stem cell transplantation.

Publications and presentations by Dr Kaiser and supported by the JFN Fellowship

Conferences:

- American Society of Hematology Annual 2020 virtual conference, Invited speaker at scientific workshop: Genetics and MRD <https://www.hematology.org/meetings/annual-meeting/programs/friday-scientific-workshops>
- British Society of Haematology annual 2020 virtual conference, Oral Presentation: Tailoring treatment for patients with newly diagnosed high-risk myeloma – feasibility results of the UKMRA OPTIMUM (MUKnine) trial <https://bit.ly/2PCT8vV> Abstract BSH2020-OR-019
- UK Myeloma Forum Annual Meeting Autumn 2020, Invited speaker: Incorporating genetics into clinical trials

Conference activity was in general highly disrupted in 2020 due to COVID-19, nevertheless we successfully achieved dissemination of our results as invited speaker and in oral presentations.

Peer reviewed, open-access publications:

- Croft J et al., Copy number evolution and its relationship with patient outcome – an analysis of 178 matched presentation-relapse tumor pairs from the Myeloma XI trial. *Leukemia* 2020 (<https://doi.org/10.1038/s41375-020-01096-y>)
- Hoang P et al., An enhanced genetic model of relapsed IGH-translocated multiple myeloma evolutionary dynamics, *Blood Cancer Journal* 2020 (<https://doi.org/10.1038/s41408-020-00367-2>)

- Hoang P et al., Impact of mitochondrial DNA mutations in multiple myeloma, *Blood Cancer Journal* 2020 (<https://doi.org/10.1038/s41408-020-0315-4>)
- Bygrave C et al., Early relapse after high-dose melphalan autologous stem cell transplant predicts inferior survival and is associated with high disease burden and genetically high-risk disease in multiple myeloma. *British Journal of Haematology* (<https://doi.org/10.1111/bjh.16793>)

This brings the total of publications in international, peer-reviewed journals since inception of the JFN to eight, with more work currently in progress. All results can be read by any healthcare professional, researcher or patient anywhere thanks to open-access publishing.



Where we are going:

Research into high-risk myeloma and the OPTIMUM trial (supported by the JFN Fellowship)

- Continued analysis of OPTIMUM trial and publication of results:
 - Follow-up for clinical data and patient reported outcomes is ongoing. Nearly all patients have now received at least one year of treatment on trial, with patients enrolled first reaching the 3 year milestone.
 - Biological material collection for enrolled patients continues, including bone marrow immune profiles generated before and throughout therapy for high-risk disease.
 - The first results on response to OPTIMUM therapy, integrating collaborative efforts by Universities Leeds, Birmingham and the ICR under Dr Kaiser's leadership are being analysed at the moment.
 - A protocol paper describing the novel approach to high-risk disease is in preparation and will be submitted for publication soon.
 - The publication plan for disseminating first results on efficacy of OPTIMUM therapy is mapped out and includes for the coming year submission of scientific abstracts to the American Society of Clinical Oncology, American Society

of Hematology, European Myeloma Network, European Haematology Association annual conferences.

- Continued molecular analysis of high-risk myeloma
 - Dr Kaiser was invited to speak at the European Haematology Association and European Myeloma Network conferences on the topic of high-risk myeloma.
 - Ongoing analysis of genetic factors, in particular gene expression changes, influencing resistance to therapy in high-risk myeloma.
 - Continued exploration of long-range genome sequencing (Oxford Nanopore) in exemplary high-risk cases.
 - Engagement in multiple international collaboratives with European (GMMG, EMN) and US based groups (Prof Ola Landgren, Miami) to improve diagnostics and outcomes for patients with high-risk myeloma.
 - Continued advocacy work for improved diagnostics for high-risk myeloma and better therapies. The aim is to build a case with OPTIMUM data to approach regulatory bodies and the NHS regarding improved recognition of this area of unmet need.

Other ongoing research

- High sensitivity imaging methods, diffusion weighted whole body MRI, for improved assessment and management of treatment resistance in high-risk myeloma. In collaboration with the radiology department, we managed to secure funding by NIHR to develop an automated interpretation software to support radiologists in getting the diagnosis to patients faster.
- Development of precision medicine for myeloma beyond high-risk disease. We are continuing laboratory research into specific vulnerabilities in myeloma to inform future clinical trials, in collaboration with drug manufacturers, that will explore targeted therapies for specific genetically defined myeloma sub-groups.
- Early diagnosis and early intervention are long-term aims for our strategic development that will aim to advocate for screening and improve diagnostic tools for early detection as well as designing trials to test innovative preventative treatment approaches.

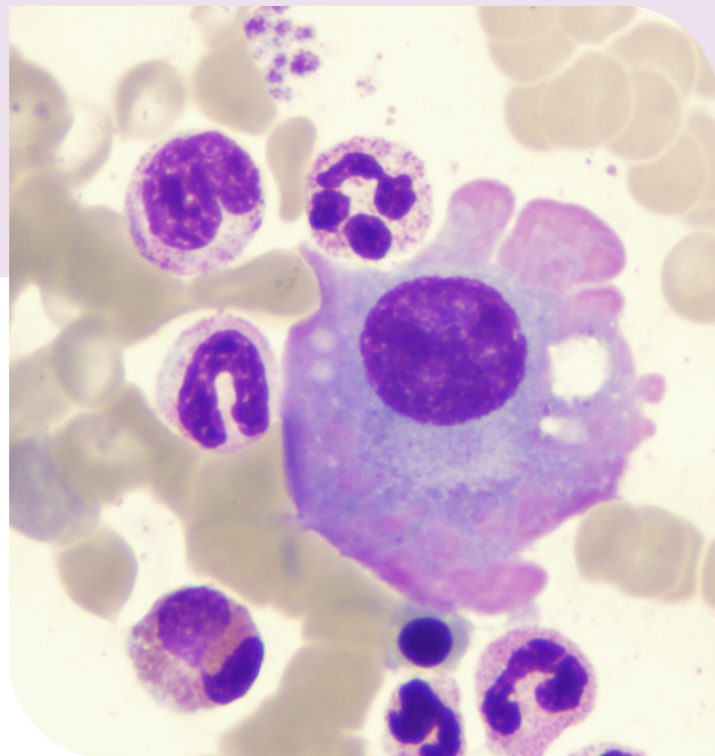


The research work funded by the DFN Foundation has also offered **Myeloma UK** a platform at the Westminster Parliamentary & Life Sciences Committee meeting in September 2020 to present and discuss the need for precision medicine and genomic mapping in myeloma. Myeloma has not seen the same level of investment and infrastructure in this space when compared to other conditions, and if this remains unaddressed, will be left behind as scientific discovery and clinical practice progress.

Since speaking at that event, Myeloma UK has been invited to join the NHS England and NHS Improvement Clinical Reference Group for Genomics, meaning that we can put the myeloma patient voice directly into future consultations, proposals and developments.

This is only the start of Myeloma UK's ambitious plan to better share scientific discovery to influence the future treatment and care of myeloma patients.

The work funded by the **DFN Foundation** has provided a springboard for us in 2021 to pursue an evidence-based strategy for change that embraces further scientific discovery and positions us ready to take the next significant step forward in transforming patient treatment and outcomes.



“The investment the DFN Foundation makes in Myeloma UK enables us to evidence our vision for precision medicine in myeloma treatment. Myeloma isn't a second-class cancer, and the work being done at the ICR is a critical part of enabling us to build better outcomes for the 24,000 patients with myeloma in the UK.”

Laura Kerby, CEO, Myeloma UK



Conservation



Let's Save The British Butterfly Together

The DFN Foundation is committed to ensuring the survival and re-introducing of some of the rarer species of the British Butterfly. For us, it's not just about saving a few species from going extinct but keeping the equilibrium of our ecosystem in place.

Key Aims of the DFN Foundation

01

Following research to provide targeted small-scale **financial support** to nature conservation groups within the southeast.

02

To consider the provision of targeted funding for **school resource materials** in support of conservation group work in schools.

03

To review the making of an annual grant to the new **Butterfly Conservation Charity** to help it establish its programmes.

How the DFN Foundation Plans to Achieve its Vision

- Working with others to **raise awareness** of the need to secure butterfly habitat and why it would be helpful for our environment and ecosystem.
- Work with others to develop and implement a **schools programme** in order to raise awareness about British butterflies and the threats they face.
- Supporting the development of butterfly conservation special interest groups to reinforce and encourage a **collective effort** to save the species.
- **Reinvigorate existing woodland and farmland** through a variety of effective initiatives to halt the decline of some of our rarest species.
- Raising awareness and encouraging **local communities** in the affected areas to work with landowners to revive these areas and support butterfly habitat.

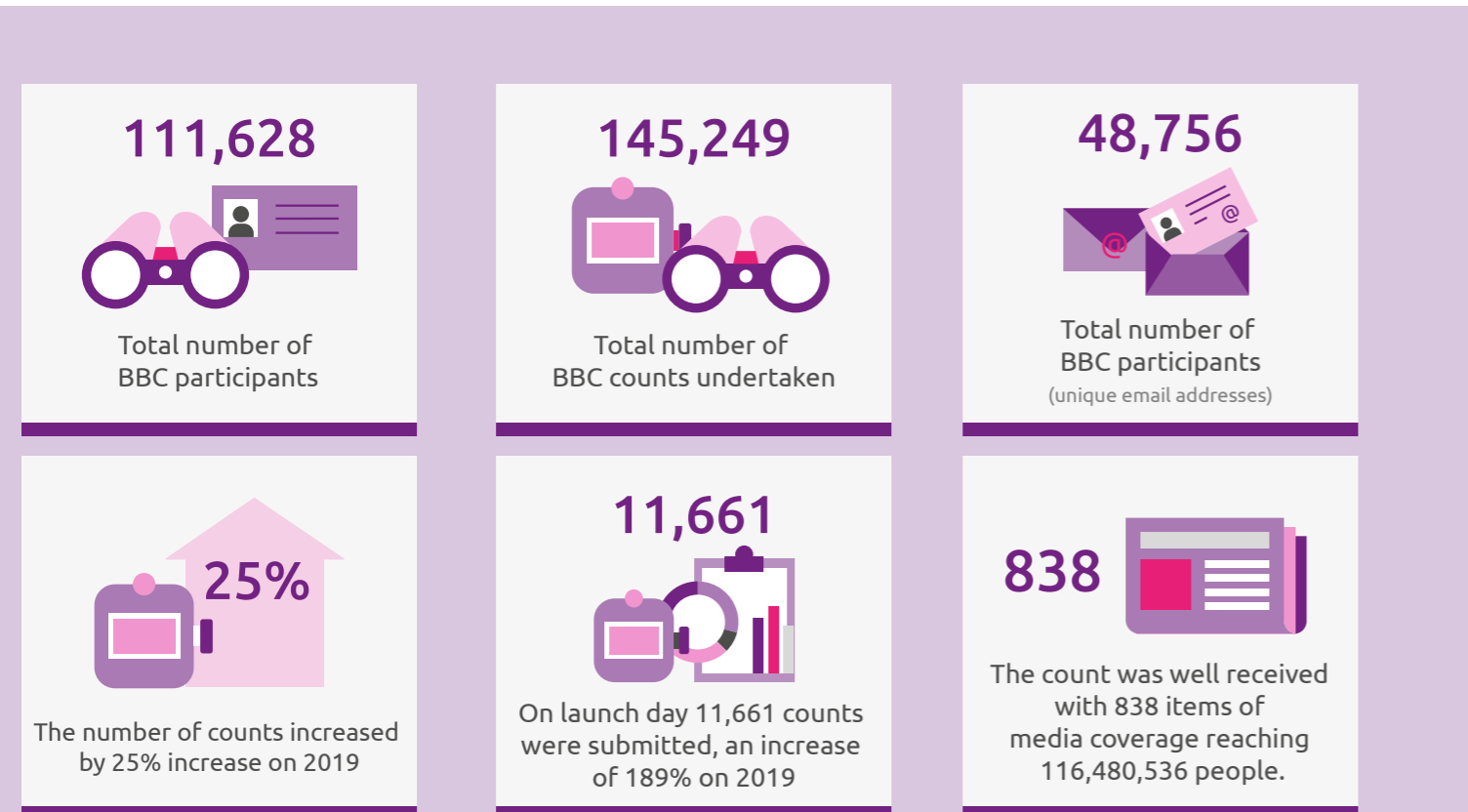


The DFN Foundation was the very proud co-sponsor of the 2020 Big Butterfly Count, the world's biggest survey of butterflies.



The Results:

The count took place from 17 July – 9 August 2020 (although sightings were submitted from 1 July to 31 August 2020).



Worryingly this summer's Count has seen a reduction in the average number of butterflies logged per count of -34% in comparison with 2019 and the lowest average number of butterflies logged overall since the event began eleven years ago. In all, during this year's **Big Butterfly Count**, over 1.4 million butterflies were counted across the UK.



Dr Zoë Randle, Senior Surveys Officer at Butterfly Conservation said: "Unfortunately, this summer has not seen an abundance of butterflies, across the UK. We do see peaks and troughs of butterfly numbers each year (last year for example we saw a huge influx of migrant Painted Lady butterflies), so the data from the Big Butterfly Count is an important snapshot which, along with our other monitoring schemes, helps our understanding of the rates of decline of butterflies and moths.

Coming so shortly after the recent WWF and UN reports on the global biodiversity crisis these 2020 results illustrate the perilous state of wildlife in the UK. However, the fact that so many people take part in this exciting citizen science initiative is encouraging and makes a huge difference to our understanding of how the natural world is responding to the crisis it is in. Now we need to see initiatives both here and across the world to put nature on a path to recovery.

The fall in butterfly numbers this summer may be due to a number of factors. An unusually warm spring led many species to emerge earlier than usual.

So we may have only caught the tail-end of the flight period for many species during this year's Big Butterfly Count. It's important to look at butterfly trends over longer periods, so our scientists will be using these results alongside our other datasets to get a clearer understanding of what is happening."





Butterflies and moths are incredibly **valuable indicators** of the health of our environment. Their declines show not only the effects of human behaviour on the world around us but also the changing patterns of our weather.

As well as being important and beautiful creatures in themselves, they play key roles in the ecosystems of birds, mammals, invertebrates and plants as food, population controllers and pollinators.

Their conservation is vitally important which is why the DFN Foundation has committed to sponsor the Big Butterfly Count in 2021 and 2022.



Through video link students from Stepping Stones School posed their butterfly questions to **Chris Packham**.

They were thrilled to have this opportunity, Chris Packham said: "It has been great to work with Stepping Stones School and DFN Foundation on this project as a way of teaching more young people about the importance of conserving nature and allowing us to highlight the huge therapeutic benefits that nature has for people with autism."

The video can be found here: <https://vimeo.com/467347933/c111204b6b>



Species Results:

	Big Butterfly Count 2020 UK	Abundance	Average per count	% Change from 2019
1	Large White	268,925	2.03	44%
2	Small White	260,434	1.97	7%
3	Gatekeeper	188,866	1.43	-14%
4	Peacock	163,351	1.23	-42%
5	Meadow Brown	146,273	1.10	-2%
6	Red Admiral	82,534	0.62	-33%
7	Small Tortoiseshell	56,105	0.42	-41%
8	Common Blue	34,762	0.26	9%
9	Ringlet	34,577	0.26	-18%
10	Comma	30,856	0.23	-29%
11	Green-veined White	30,127	0.23	-33%
12	Speckled Wood	29,971	0.23	-33%
13	Holly Blue	23,519	0.18	48%
14	Small Copper	20,423	0.15	40%
15	Brimstone	11,771	0.09	-1%
16	Six-spot Burnet	11,073	0.08	-36%
17	Marbled White	9,054	0.07	-38%
18	Painted Lady	8,368	0.06	-99%
19	Silver Y	2,360	0.02	-70%

Thank You

We would like to pay a special thanks to all our partners who are working with us to bring positive and lasting change, helping to unlock natural potential and build a more inclusive society.

Host Businesses

CTMUHB - Princess of Wales Hospital	Forth Valley Royal Hospital
Bath and North East Somerset Council	Great Ormond Street Hospital
Betsi Cadwaladr University Health Board	GSK Global Headquarters
Blackpool Council	Gulliver's Resort
Borders General Hospital	Hilton London Heathrow Airport Terminal 5
Bradford Teaching Hospitals NHS Foundation Trust	Homerton University Hospital
Calderdale Royal Hospital	Imperial College Healthcare NHS Trust (Charing Cross Hospital)
Calico	James Paget University Hospital NHS Foundation Trust
Cardiff University	Jeronimo Martins
City of Edinburgh Council	Lancashire County Council
ClwydAlyn	Liverpool University Hospitals, Liverpool Heart and Chest, ISS and Avrenim
Culzean Castle	London Borough of Hackney
DOW Silicones UK Limited	London Borough of Hillingdon
Dumfries and Galloway Council, Scotland	London Borough of Hounslow
East Sussex Healthcare Trust - Eastbourne District General Hospital	London Heathrow Marriott

Mid Yorkshire NHS Foundation Trust Dewsbury	Plymouth Hospitals NHS Trust
Mid Yorkshire NHS Foundation Trust Pinderfields	Queen Mary University London
Moorfield's Eye Hospital London	Public Health England Colindale
Musgrove Park Hospital	Renfrewshire Council
Naas General Hospital (NGH)	Royal London Hospital
Newham University Hospital	Royal United Hospital Bath NHS Trust
Next - Furniture	Shetland Islands Council
Next Distribution Ltd.	St. George's University Hospitals NHS Foundation Trust
Next Stadium	St. John's Hospital
Next Toftshaw	The Whittington Hospital
NHS Greater Glasgow and Clyde Royal Infirmary	The Royal Berkshire Hospital
NHS Lanarkshire-University Hairmyres Hospital	Transport for Wales
NHS Lothian Western General Hospital	University Hospital Monklands
Norfolk and Norwich University Hospitals NHS Foundation Trust	University Hospital North Midlands
NORSE Commercial Services	University Hospital Wishaw
North Devon District Hospital	University Hospital, Crosshouse
North Middlesex University Hospital	University Hospitals of Derby & Burton NHS Foundation Trust, UHDB
Northwick Park Hospital	University of Aberdeen
Nottingham University Hospitals NHS Trust	University of Strathclyde
Phoenix Community Housing	University of the West of England

University of Warwick	West Middlesex University Hospital - Chelsea and Westminster Hospital NHS Foundation Trust
Wembley Park Site Brent Council , London	Whipps Cross University Hospital

Supported Employment Agencies

Action on Disability	Into Work
Agoriad Cyf	Kaleidoscope Sabre
Barnet Mencap	KARE
Better Jobs Better Futures	Kent Supported Employment
Derby Enterprise Business Partnership	Newham Workplace
Discovery Supported Employment	Nottinghamshire County Council - I Work Team
Ealing Mencap	PLUSS
Education Development Trust	Plymouth CITY Council
Elite Supported Employment LTD	Prospects
Employability and Skills Service, Dumfries and Galloway Council	REAL Employment
Focus, Crl	Sixteen Co-operative Ltd
Generate	Sussex Community Development Association (Lets Get Working)
Girvan Youth Trust	The Bath and Mendip Partnership Trust
Hackney Employment and Skills	Tottenham Hotspur Foundation
HACS - Hillingdon Autistic Care and Support	Toucan Employment
HFT	Virgin Care Supported Employment
Inspire (Partnership Through Life)	

Local Authorities / Government Agencies

Aberdeenshire Council	Haringey Council
Aberdeen City Council	Harrow Council
Bath and North East Somerset Council	Isle of Anglesey County Council
Blackpool Council	Islington Council
Bradford Council	Lancashire County Council
Brent Council (London Borough of Brent)	Kirklees Council
Bristol Council	Liverpool City Council
Calderdale Council	London Borough of Barnet
Camden Council	London Borough of Hillingdon
City of Edinburgh Council	London Borough of Tower Hamlets
Derby City Council	London Borough of Waltham Forest
Devon Council	Newham Council
Doncaster Metropolitan Borough Council	North Lanarkshire Council
Dumfries and Galloway council	Nottinghamshire County Council
East Ayrshire Council	Renfrewshire Council
East Sussex Council	Rotherham Metropolitan Borough Council
Falkirk Council Employment and Training Unit	Scottish Borders Council
Flintshire County Council	Shetland Islands Council
Glasgow City Council Supported Employment Service - Strathclyde	Slough Council
Hammersmith and Fulham Council	Somerset County Council

Local Authorities / Government Agencies

South Lanarkshire	Wakefield Metropolitan District Council
Staffordshire County Council	Warwickshire County Council
South Lanarkshire Council	West Lothian Council

Education Providers

Ambitious About Autism	City College, Norwich
Ayrshire College	City College Plymouth
Barnet and Southgate College	City of Bristol College
Bath College	City of Glasgow College
Blackpool Council	Coleg Cambria
Borders College	Coleg Menai
Bradford College	Co-op Academy Southfield
Bridgend College	Cricket Green School
Bridgwater and Taunton College	Doncaster College and University Centre
Bristol City College	Dumfries and Galloway College
BSix Sixth Form College	East Coast College
Burnley College	East Sussex College (Eastbourne)
Calderdale College	Edinburgh College
Caledonian University	Focus
CANDI	Forth Valley College
Cardiff and Vale College	Fosse Way School

Foxwood Academy	Phoenix School
Glasgow Clyde College	Plymouth City College
Gower College Swansea	Preston's College
Greenbank College	Queensmill School
Harrow College	Rotherham Opportunity College (ROC)
Hereward College	Samuel Rhodes MLD School
Highfield School	Shetland College
Kildare Wicklow Education Training Board	St Martins School, Derby
Kirklees College	Thanet College
Lewisham Southwark College	The College of Haringey, Enfield and North East London
Meadow High School	The College of North West London
New College Lanarkshire	Wakefield College
Newfriars FE College	West London College
Newham College of Further Education	West Lothian College
North East Scotland College	West Thames College
PETROC	Whitefield Schools and Centre

Programme Affiliated Partners

Autism Network Scotland	Medirest
Avrenim Facilities Management	Morrison's
Blackpool Teaching Hospital NHS	Motorpoint
Blackpool Tower	Office for Disability Issues
Blackpool Transport Services	PCAN
Bombardier	Rolls Royce
Centre for Social Justice	Royal School for the Deaf, Derby
Cloverleaf Advocacy	Serco
Department for Education	Severn Trent
Department for Work and Pension	SIC Children and Youth Services
Engage 2 Change	Sodexo
Gather and Gather	The Scottish Consortium for Learning Disability
Hackney Learning Trust	Think Forward
Hillingdon SEND Family Support	Warburton's
ISS	West London Alliance (WLA)
Learning Disability Wales	Piota
Lewisham Children with Complex Needs Service	Garfield Weston Foundation



Trustees' Report on Financial and other Statutory matters

For the year ended 31 December 2020

■ INTRODUCTION

Trustees' Report on Financial and other Statutory Matters.

The Trustees of the DFN Charitable Foundation are pleased to present their Annual Report and Financial Statements for the year ended 31 December 2020 which has been prepared to meet the requirements for a Directors' Report and Accounts for Companies Act Purposes.

The Financial Statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the requirements of the Companies Act 2006, the Charities Act 2011, the Charity's Memorandum and Articles of Association and the "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

The DFN Charitable Foundation is a registered charity (No. 1155919) and a company limited by guarantee (No. 08906571), and was incorporated on 21st February 2014.

Charitable Objectives

01

The Foundation's Governing Document defines the objectives as all purposes that are exclusively charitable under the law of England and Wales.

02

The Trustees have directed the Foundation to focus on the four key purposes of Education, Employability, Healthcare and Conservation.

Achievements & Performance

David Forbes-Nixon and the Board have set four audacious goals for the Foundation to achieve over the next ten years:

01

To create an employability skills project which will significantly improve the employment prospects of young people with special needs.

02

To fund research to find a cure for myeloma.

03

To create a world class special needs school at Undershaw / Stepping Stones.

04

To ensure the survival of the British Butterfly.

The work undertaken to advance these goals is set out on pages 6 to 73 of this Report.

Demonstrating Public Benefit

Trustees are aware of the Charity Commission guidance on Charity and Public Benefit and confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to it. The Trustees consider that the information contained within the Trustees' Report about the Charity's aims, activities and achievements in the three key areas of education, healthcare and conservation demonstrates the benefit to the public.

The Trustees review the purpose, aims and activities of the Charity periodically. When carrying out the review and planning future activities, the Trustees refer to the guidance contained in the Charity Commission's general guidance on public benefit. In particular the Trustees consider how planned activities will contribute to the aims and objectives they have set.

Grant Making Policy

The Foundation will consider the making of grants to other organisations / institutions as part of, or to complement its commitment to deliver its charitable objects for the public benefit. The Foundation's approach to grant making is based on research by the Board to carefully select partner organisations/institutions with whom the Foundation can work to achieve its charitable objectives. It is not the intention of the Foundation to invite unsolicited applications from other organisations for grant funding.

Financial Review

The Board wish to express their thanks to all staff, partners and colleagues who have worked hard in support of the charitable objectives of the Foundation in a year characterised by the emergence of the COVID-19 and the lockdown restrictions imposed to combat the spread of the virus.

Against this backdrop the Statement of Financial Activities reports income of £454,906 (2019 - £853,521) and total expenditure of £1,538,705 (2019 - £1,674,382) which, after adjusting for unrealised gains on investments and other costs associated with foreign current exchange differences resulting in a net outflow of resources of £1,092,726 (2019 - £726,719) with a Fund Balance at the year-end of £20,018,724 (2019 - £21,111,450).

The main areas of charitable activity are:

DFN MoveForward

DFN MoveForward is an employability programme built on the tried and tested work of ThinkForward with the aim of supporting young adults with mild to moderate learning disabilities into sustainable paid employment.

The programme is delivered by **ThinkForward**. Through one to one coaching and group work sessions, the DFN MoveForward coaches support young

people to develop essential life skills, become more independent and take part in a range of different exposures to the workplace.

Acting as Lead Commissioner, with match funding from the government's Life Chances Fund through a Social Impact Bond and with very welcome support from its partners in earlier periods, the Foundation had committed up to

£1,000,000 to fund the programme over the period to March 2024.

The impact of COVID-19 necessitated a review of the delivery of the programme. The programme was originally structured such that payments are made to ThinkForward on the basis of specific outcomes achieved within a set timeframe.

In response to the COVID-19 pandemic and the social distancing rules DFN

MoveForward amended both their delivery and payment basis to focus on activities, the details of which are set out on page 15.

Accordingly having undertaken appropriate verification tests the Board authorised release of funds on the basis of the results on the revised (COVID-19 Impact) basis.

As set out in note 8 these accounts include a provision of £186,957 (2019 - £171,520) to meet its financial obligation on the basis of the reported results.

Influencing the National Debate

In 2018, the Chairman was invited to join the Work and Welfare Policy Unit of the Centre for Social Justice (CSJ) and to contribute to the Advisory Board and Working Group. Through this work with the CSJ, the Foundation has made a contribution of £50,000 (with match funding from the CSJ) to set up a Disability Commission of which David Forbes-Nixon was appointed as vice chairman with the

aim to submit by the end of March 2021 a report to Government to influence the national disability strategy. In acknowledging the high calibre and diverse membership of the Commission the Board expressed their expectation that the investment in the Commission will secure a step change in the opportunities available to disabled people, especially in employment.

DFN Project SEARCH

As previously reported DFN Project SEARCH (Charity Reg No. 1183834 England and Wales and Charity Reg SC049891 Scotland) was assigned the Project SEARCH master franchise in September 2019.

Prior to that date the operations of Project SEARCH were administered as a restricted fund of the Foundation.

The Board of the Foundation are pleased to learn that the new DFN Project SEARCH Charity has worked hard to develop and expand the Project SEARCH programme whilst overcoming the many challenges imposed by the COVID-19 pandemic on a day to day basis. The Board were particularly welcoming of the news that for DFN Project SEARCH it had not been necessary to furlough any employees. Instead the Board and employees of DFN Project SEARCH used the time of the first lockdown to reflect on the operations to date and from this to develop a strategic review inclusive of an updated business plan.

The Board were invited to review this updated business plan finalised for the Board of Project SEARCH in the second half of the year and found it be both ambitious in terms of the number of young people who obtained sustained employment (target to exceed 10,000

by 2030) and progressive in the development and focused delivery of future sites whilst encouraging and embracing collaboration with a wide range of partners.

The Board also noted with satisfaction the ambition of DFN Project SEARCH to now move to sustainability within a 7 year time frame building on a similarly ambitious programme to develop support over a range of institutions, local and national government agencies, employers and philanthropists.

In giving their support to the updated Business Plan, and whilst reviewing this in the light of other current and future projects, the Board earmarked funds of approximately £1,500,000 for support for DFN Project SEARCH over this 7 year term.

In congratulating DFN Project SEARCH the Board nevertheless reiterated that financial support remains dependent on a satisfactory periodic review of progress as measured against exacting Key Performance Indicators.

Grants Payable (Note 9) reports donations of £668,300 (2019 £396,354) to Project SEARCH.

Stepping Stones School at Undershaw

The Foundation has restored and developed Sir Arthur Conan Doyle's old home at Undershaw to create an outstanding new building for the use of Stepping Stones School; a UK registered Charity (No. 1039622). The original investment in the property in 2016 totalled £6,622,912 with a further £442,589 invested in furniture, equipment and facilities.

The Foundation remains committed to creating a world class special needs school at Undershaw.

As a demonstration of this commitment, the Board had agreed a new 10 year lease

of the entire building and fixtures with Stepping Stones School details of which are set out in note 31.

Under the terms of the new lease the Board noted income received of £81,332 (2019 - £46,667) of which £17,165 (2019 - £25,453) was expended in insuring the property. As set out in note 18 the Board are clear that the receipt of investment income from the property is of secondary importance to the furtherance of the benefit derived by the Foundation's beneficiaries through the provision of the enhanced school building and facilities.

Other Income and Raising Funds

Against the backdrop of the impact of the pandemic on financial markets, and as set out in note 5 the Board noted with satisfaction income from investments of £226,123 (2019 - £397,752), which has been utilised in the funding of the charitable activities.

For expediency the Foundation had invited DFN Project SEARCH to share its office facilities for which the Foundation recharged costs to DFN Project SEARCH of £45,629 (2019 - £15,456).

Following the appointment of Claire Cookson as CEO of DFN Project SEARCH the Foundation also recharged employment costs reflecting the time that the CEO devoted to DFN Project SEARCH as set out in note 6.

Of the costs relating to raising funds as set out in note 7 £39,800 (2019 - £46,230) represents fees paid to Royal Bank of Canada for their management of part of the investment portfolio.

Use of Resources

It remains the intention of the Board to maintain unrestricted reserves, held primarily within a portfolio of investments, not only as a core fund as detailed in the investment policy but to provide resources which can be called upon as the Board explores how best to move the Foundation forward, working with other organisations as necessary towards fulfilling the long term charitable goals.

At the Balance Sheet date the Foundation holds funds of £20,018,724 (2019 - £21,111,450). Of this £607,523 (2019 - £794,480) represents the balance of the restricted funds held. In addition £621,329 (2019 - £589,762) of funds are set aside by the Board in respect of commitments made for Myeloma UK; details of both restricted and designated funds are set out in notes 27 and 28.

The investment in Undershaw after the application of depreciation stands at £6,779,611 (2019 - £6,802,241) at the Balance Sheet date.

To satisfy themselves that ample free reserves are in hand to meet all expenditure and commitments as they fall due, the Board regularly review the resources that have been committed or earmarked over the medium term. In addition, in assessing future projects and the resources which may be absorbed the Board also maintain a

review over income that may be expected to arise (with a reasonable degree of certainty) over the same period. In this respect the Board again acknowledge with gratitude the potential for a future income stream made available to the Foundation by the Chairman as set out in note 26. As noted above the Board had earmarked funds to support Project SEARCH over the medium term of a sum approaching £1,500,000.

As set out in note 29 the Board have approved in principle an advance to ARK albeit those terms have yet to be agreed. On the assumption that it will be possible to agree terms, the advance is to assist ARK with the EdCity project, a non-profit project to create an educational and charity hub in London to bring social and educational benefits for the local community. The Board note that free reserves (after having regarded for all sums already committed or earmarked for future projects) total a sum approaching £4,500,000 inclusive of readily realisable investments and cash reserves. The Board are satisfied that the level of free cash reserves (in cash or readily realisable investments) remains prudent as the Foundation enters a post COVID-19 pandemic period.

The Board also wish to again express their appreciation to those who have provided administration support to the Foundation on a voluntary basis.

Due to the flexible nature of the hours worked and the tasks performed the Board

consider that the value of the support provided by the volunteer cannot be measured reliably.

The Foundation's accounts do not therefore reflect a value for donated administration services.

Investment Policy

It remains the policy of the Board to invest funds not immediately required for ongoing projects (and to fund the commitments detailed in notes 27 to 29 through income generation and capital growth) within a portfolio of investments. Investments are made to maintain sufficient liquidity to meet the aforementioned commitments as they fall due.

In the selection of investments the Board draw on their collective experience and knowledge of the financial markets to provide the balance of good quality income generation and capital growth without geographical, currency or sector restriction.

It remains the Board's objective, over the medium to long term, to build on the existing portfolio to create a core

fund capable of delivering good quality investment returns and growth to fund existing and future charitable projects.

At the year-end, after the generation of investment income (other than rental income) of £226,123 (2019 - £397,752) and having enjoyed net realised and unrealised gains of £37,249 (2019 - £142,566) the Foundation held investment funds valued in total at £9,961,473 (2019 - £13,300,004).

Over the course of the year the Board reviewed the mix of the investment portfolio and reduced equity and other risk by crystallising funds of approximately £3,600,000 in the early part of the year before reinvesting £2,500,000 shortly after the year end.

Risk Management

The Foundation's risk management policy is based around an overarching risk management register. The register identifies the key risks that the organisation is, or potentially could be, exposed to, and establishes a practical risk assessment process and the operational mitigation tasks that emanate from it. Responsibility for each class of risk is reflected within the register.

The Trustees and CEO regularly review the register to address any changes in the likelihood and impact of each risk and risk mitigation measures are considered. The Register is updated periodically to reflect new and changing risks.

The key risks that currently face the DFN Charitable Foundation and principal mitigating strategies are:

- Safeguarding failure or adverse regulator opinion. The Trust keeps quality at the forefront of its strategy.
- Maintaining investment performance to deliver on the investment objective. The Board collectively has significant experience of the financial markets (as detailed below) to ensure informed judgements are made in the selection and management of the portfolio.
 - David Forbes-Nixon has over 30 years' experience in financial markets and serves as Chairman and Chief Executive at Alcentra, a large Asset Manager (circa \$34 billion) in the sub-investment grade credit space.
 - James Dickson has over 22 years' experience as an investment manager.
- The day to day management of the ongoing projects is undertaken by the CEO (and advisors as necessary) whilst overseen by the Chairman. The Board remain of the view that this hands on approach serves to identify, and respond to any issues that may arise as projects progress. In addition the close involvement of the CEO and oversight by the Chairman enables them to be fully apprised of any events which might give rise to unwelcome attention and hence reputational risks.

Selection of projects to deliver the charitable objectives:

The agreed criteria by which the Board judge future projects is set out below, aided by the setting of clear objectives with all partner organisations and monitoring and reporting progress against such agreed criteria. This underlines the Board's established approach in the careful selection of advisors and partners with appropriate experience and a proven track record within their specialist sectors.

The approach of the Board in the selection of projects to provide the most positive impact for the beneficiaries is to address the following key questions:

- How many people will benefit and by how much?
- Is this the most effective thing that we can do?
- Is this area neglected?
- What would happen if we were to do nothing?
- What are our chances of success and how good will our success be?

The impact of COVID-19 has resulted in the majority of industrialised nations restricting movement of people to limit the speed in which this virus spreads with the aim to allow each country's health service to cope.

Over a year characterised by the emergence and rapid spread of the coronavirus, the focus of the Board is rightly the health and wellbeing of its employees and beneficiaries. In working within the Government guidance the Foundation has maintained contact with its partners, supporters and beneficiaries through effective use of online communication tools.

Since the year end many nations are working to implement a roll out of COVID-19 vaccines on an unprecedented scale providing a cause for optimism and the welcome phased easing of many of the lockdown measures.

The Board are confident that the Foundation, which has been able to support its employees and beneficiaries through these difficult periods, is well placed to move forward on the continued delivery of its charitable objectives as lockdown measures are eased.

Diversity

Respecting diversity is one of the DFN Charitable Foundation's key values and we are committed to being an inclusive organisation where diversity is welcomed and valued. The DFN Charitable Foundation through its support for organisations strives to promote a culture where people treat each other with mutual respect regardless of age, disability, gender, marital or civil partnership status, pregnancy and maternity, gender reassignment, race, religion and belief or sexual orientation.

Structure, Governance and Management

The Charity is a company limited by guarantee, incorporated on 21 February 2014 and registered as a charity on 24 February 2014. The Company was established under a Memorandum of Association which established the objects and powers of the Charitable Company and is governed under its Articles of Association.

The Board of Trustees is responsible for the overall governance of the Charity and meets as a Board at least three times a year. In addition it is planned to establish two Trustee committees to steer our work on cancer research and employability issues. It is intended that these committees all meet a minimum of three times a year.

The Trustees, who are also directors for the purposes of company law, and who have served since the end of the previous year are:

- Mr David Forbes-Nixon – Chairman
- Mr James Dickson
- Mr Simon Konsta
- Mr Eric Low
- Mr Norman Stromsoy

The number of Trustees shall not be less than two.

None of the Trustees receive remuneration or other benefit from their work for the Charity. Expenses incurred by the Trustees in the performance of their duties are reimbursed when requested. None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The Board of Trustees administers the Charity. In doing so the Trustees have delegated the day-to-day administration

of the Charity to the Chairman, Mr David Forbes-Nixon. Trustees receive regular reports on the progress of the projects in hand and meet (formally as noted above and via telephone/virtual meetings) to discuss progress, future projects and to approve current and future expenditure and the funding thereof.

As described above the Charity is working in partnership with an existing school,

Stepping Stones in Hindhead (Registered Charity number 1039622), in pursuance of the educational objective. David Forbes-Nixon is a Trustee of Stepping Stones School, Hindhead. The CEO of the Foundation Claire Cookson is also a Trustee of Stepping Stones School.

Mr Norman Stromsoy is a Trustee of the Himalayan Youth Foundation.

Trustees Selection & Induction

The Trustees review regularly the composition of the Board and its various sub-committees. When a vacancy arises the Trustees look at the blend of experience and skills of Trustees to ensure that these meet the needs of the Charity; and instigate a recruitment process if required. This will involve advertising both locally and nationally as well as more informal approaches to individuals who have the relevant skills and experience.

All new Trustees are invited to attend induction training with the Chair and CEO. New Trustees are briefed on their legal obligations under charity and company law, on their role and responsibilities as Trustees, the Charity Commission guidance on public benefit, the content of the governing document, the decision making process, the business plans and recent financial performance of the Charity.

Statement of Trustees' Responsibilities and Corporate Governance

The Trustees, who are also the directors of DFN Charitable Foundation for the purposes of company law, are responsible for preparing the Trustees Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards

(United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 Charity and of the incoming resources and application of those resources, including the income and expenditure, of the Charity for that period.

In preparing these statements, the Trustees are required to:

01

Select suitable accounting policies and then apply them consistently.

02

Observe the methods and principles in the Charities SORP.

03

Make judgements and accounting estimates that are reasonable and prudent.

04

State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

05

Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity 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 Charity and financial information included on the Charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

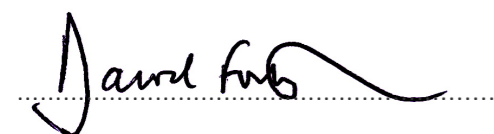
■ Auditor

Dixon Wilson Audit Services LLP were appointed as auditor to the charitable company and a resolution proposing that they be re-appointed will be put at a General Meeting.

Discloser of Information to Auditor

The Trustees who were in office on the date of the approval of these financial statements, having made reasonable enquiry, have collectively confirmed that, as far as they are aware, there is no relevant audit information undisclosed to the company's auditor and that they have taken the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

This Report was approved by the Board of Trustees and signed on its behalf by:



Dated: 25th May 2021

Mr David Forbes-Nixon (Chairman)

■ Independent Auditor's Report to the members of DFN Charitable Foundation

Opinion

We have audited the financial statements of DFN Charitable Foundation (the 'charitable company') for the year ended 31 December 2020, which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 original financial statements were 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report;
- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records;
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement as set out on pages 88 and 89, the Trustees (who are also 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We gained an understanding of the legal and regulatory framework applicable to the charitable company by considering, amongst other things, the sector in which it operates, and considered the risk of acts by the charitable company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, but recognised that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate

concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focused on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Charities Act 2011 and the Companies Act 2006.

Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and enquiries of third parties.

As in all our audits, we also addressed the risk that management override internal controls, including testing journals and evaluating whether there was any evidence of bias by the Trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud.

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

Use of our report

This report is made solely to the charitable company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's Trustees 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 Trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Dated: 26th May 2021

Dixon Wilson Audit Services LLP - Statutory Auditor

22 Chancery Lane
London
WC2A 1LS

Dixon Wilson Audit Services LLP are eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Statement of Financial Activities including Income and Expenditure Account for the Year ended 31 December 2020

Current financial year

Current financial year		Unrestricted funds 2020	Restricted funds 2020	Total 2020	Total 2019
	Notes	£	£	£	£
Income from:					
Donations	4	11,000	-	11,000	250,720
Charitable activities	3	17,682	-	17,682	142,926
Investments	5	307,455	-	307,455	444,419
Other incoming resources	6	118,769	-	118,769	15,456
Total income		454,906	-	454,906	853,521
Expenditure on:					
Raising funds	7	43,300	-	43,300	46,750
Charitable activities	8	1,308,448	186,957	1,495,405	1,627,632
Total resources expended		1,351,748	186,957	1,538,705	1,674,382
Net gains/(losses) on investments	14	37,249	-	37,249	142,566
Net outgoing resources		(859,593)	(186,957)	(1,046,550)	(678,295)
Other recognised gains and losses					
Other gains or losses	15	(46,176)	-	(46,176)	(48,424)
Net movement in funds		(905,769)	(186,957)	(1,092,726)	(726,719)
Fund balances at 1 January 2020		20,316,970	794,480	21,111,450	21,838,169
Fund balances at 31 December 2020		19,411,201	607,523	20,018,724	21,111,450

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Statement of Financial Activities including Income and Expenditure Account for the Year ended 31 December 2020 (continued)

Prior financial year

Prior financial year		Unrestricted funds 2019	Restricted funds 2019	Total 2019
	Notes	£	£	£
Income and endowments from:				
Donations	4	220	250,500	250,720
Charitable activities	3	17,960	124,966	142,926
Investments	5	444,419	-	444,419
Other incoming resources	6	15,456	-	15,456
Total income		478,055	375,466	853,521
Expenditure on:				
Raising funds	7	46,750	-	46,750
Charitable activities	8	899,917	727,715	1,627,632
Total resources expended		946,667	727,715	1,674,382
Net gains/(losses) on investments	14	142,566	-	142,566
Gross transfers between funds		(106,566)	106,566	-
Net outgoing resources		(432,612)	(245,683)	(678,295)
Other recognised gains and losses				
Other gains or losses	15	(48,424)	-	(48,424)
Net movement in funds		(481,036)	(245,683)	(726,719)
Fund balances at 1 January 2019		20,798,006	1,040,163	21,838,169
Fund balances at 31 December 2019		20,316,970	794,480	21,111,450

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Balance Sheet as at 31 December 2020

		2020		2019	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	16		6,782,066		6,805,152
Investments	17		9,961,473		11,680,175
			16,743,539		18,485,327
Current assets					
Debtors	20	2,583,510		194,888	
Investments	19	-		1,619,828	
Cash at bank and in hand		1,739,076		1,963,342	
		4,322,586		3,778,058	
Creditors: amounts falling due within one year	22	(549,894)		(715,899)	
Net current assets			3,772,692		3,062,159
Total assets less current liabilities			20,516,231		21,547,486
Creditors: amounts falling due after more than one year	23		(497,507)		(436,036)
Net assets			20,018,724		21,111,450
Income funds					
Restricted funds	27		607,523		794,480
Unrestricted funds					
Designated funds	28	621,329		589,762	
General unrestricted funds		18,789,872		19,727,208	
			19,411,201		20,316,970
			20,018,724		21,111,450

Balance Sheet as at 31 December 2020 (continued)

For the year ended 31 December 2020 the Charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

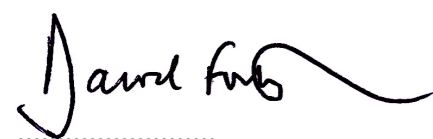
The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements have been audited under the requirements of section 144 of the Charities Act 2011.

The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime in part 15 of the Companies Act 2006.

The financial statements were approved by the Trustees on 25th May 2021.



Mr D Forbes-Nixon
Chairman

Company Registration No. 08906571

Statement of Cash Flows

For the year ended 31 December 2020

	Notes	2020		2019	
		£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	35		(1,359,823)		(1,029,101)
Investing activities					
Purchase of tangible fixed assets		(1,500)		(10,215)	
Proceeds on disposal of tangible fixed assets		-		2,925	
Purchase of investments		(3,844,137)		(2,043,347)	
Proceeds on disposal of investments		4,676,833		1,111,295	
Investment income received		307,455		444,419	
Net cash generated from/(used in) investing activities			1,138,651		(494,923)
Net decrease in cash and cash equivalents			(221,172)		(1,524,024)
Cash and cash equivalents at beginning of year			1,963,342		3,493,712
Change in cash due to exchange rate movements			(3,094)		(6,346)
Cash and cash equivalents at end of year			1,739,076		1,963,342

Notes to the Financial Statements

For the year ended 31 December 2020

1. Accounting Policies

Charity information

DFN Charitable Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is 10 Norwich Street, London, EC4A 1BD. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in pounds sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £. The accounts have been prepared on the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees had a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. In considering the position the Trustees had regard for the impact of the measures to combat the spread of COVID-19 on charitable income, expenditure and investments. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the Financial Statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes. Designated funds comprise funds which have been set aside at the discretion of the

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used or by the terms or nature of the appeal under which the funds were raised. The purposes and uses of the restricted funds are set out in the notes to the accounts.

1.4 Incoming resources

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Where the Foundation has entered into a contract for the supply of services over a period exceeding one year, income received at the commencement of the contract is recognised within the accounts on a time apportioned basis associated with the expected delivery of that service over the life of the contract.

Income arising from investments is generally recognised on receipt. As set out in note 26, a potential income stream (termed carried interest income) has been made available to the Foundation by the Chairman arising from the inclusion of the Foundation within the profit share arrangement for a number of investments to which the chairman is a party to.

Carried interest income is recognised once the receipt of funds is probable and a reasonable estimate of the amount can be made. This will not be before the time the

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

underlying fund has realised sufficient returns to exceed its hurdle rate. Before income is recognised, that is before receipt of funds is probable and/or a reasonable estimate of the amount can be made, the Trustees' best estimate of the amount and timing of future carried interest income is disclosed as a contingent asset.

1.5 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its charitable activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs are associated with meeting the constitutional and statutory arrangements of the Charity, including external audit and the cost of preparing statutory accounts, the cost of Trustees' meetings and other costs involved with the Charity's strategic management.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Wherever possible, costs relating to a particular activity are allocated directly; others are apportioned on the basis of the ratio of resources expended in respect of each charitable activity.

Irrecoverable VAT is included with the item of expenditure to which it relates.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

• Land and buildings	Not depreciated
• Hydro therapy pool	5% straight line
• Furniture and equipment	25% reducing balance method
• IT equipment	3 year straight line method
• Charity website	3 year straight line method

No depreciation is provided in respect of freehold land and buildings. Please see note 2 for the Trustees' comments.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

1.9 Cash and cash equivalents

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

1.10 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

1.11 Employee benefits

Where material the cost of any unused holiday entitlement is recognised in the period in which the employees' services are received. Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

The Foundation operates a defined contribution pension scheme for employees whereby the assets of the scheme are held separately within an independently administered fund.

Payments to the defined contribution retirement benefit scheme are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases are charged to income on a straight line basis over the term of the relevant lease.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure) for the year.

1.15 Activity basis allocation

Support costs are those costs incurred in support of the charitable activities. Where appropriate these costs are allocated directly to the activity concerned. Other costs are allocated between each activity in proportion to the direct expenditure incurred under each activity heading.

1.16 Mixed motive investments

The DFN Foundation has invested in the purchase and development of Undershaw to support the expansion of Stepping Stones School in Hindhead by the provision of accommodation to meet the growing demand for places at this special needs school.

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

At the completion of the development work the DFN Foundation entered into a lease with the School for which a concessionary level of rent was agreed.

The DFN Foundation recognised the mixed motive nature of its investment (as defined within SORP FRS 102) which is carried at historical cost subject to the application of depreciation and periodic impairment reviews.

2. Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. Where appropriate, estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

Undershaw

The Board considers that the evaluation of useful economic life of the Undershaw property and the application of depreciation to be the area of judgement with a significant effect on the financial statements.

The Board consider that the comprehensive maintenance programme in place for Undershaw property will maintain the property in very good order, and on this basis judge that the residual value at the end of the expected useful life of the property will be no less than the carrying value. On this basis no depreciation is applied for the freehold property.

Judgement is applied in evaluating the useful life of each asset.

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

This is based on either the maintenance and servicing programme or the period of obsolescence, and on the expectation that each asset will warrant replacement or substantial refurbishment at the end of its useful life.

Impairment of Fixed Assets

In addressing the impairment of the Undershaw property the Board considered the value in use of the property. The Board judge that the property meets its intended service potential at the Balance Sheet date and are not aware of any matters that will diminish this in the foreseeable future. On this basis the value in use is judged to be not less than the construction cost.

Critical Estimates

Contingent Assets

The contingent asset disclosed within note 26 is based on a number of critical estimates. However the estimated value of the contingent asset is not included within the carrying amount of assets and liabilities due to its uncertain amount and probability. Future cash inflows will be recognised in the Financial Statements when they are considered probable and can be reliably measured. Further information on the contingent asset is contained within note 26 of the Financial Statements.

Unlisted Investments

There is a critical estimate within the reporting of unlisted investments in note 17. The value of unlisted investments is based on the net asset value as provided by the fund manager. The net asset value determines the unrealised gain or loss on the investment at the year end in addition to the asset carrying amount on the Balance Sheet. Some of the unlisted investments are not traded on a public market and therefore there is a degree of judgement in the net asset value by the fund manager.

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

3. Charitable activities

	2020	2019
	£	£
Project SEARCH Licence Fees	-	124,112
Project SEARCH European Conference - sale of tickets	-	854
Services provided for education objective	17,682	17,960
	17,682	142,926
Analysis by fund		
Unrestricted funds	17,682	17,960
Restricted funds	-	124,966

4. Donations

	Unrestricted Funds 2020	Unrestricted Funds 2019	Restricted Funds 2019	Total 2019
	£	£	£	£
Donations	11,000	220	250,500	250,720

5. Investments

	2020	2019
	£	£
Rental Income	81,332	46,667
Income from listed investments	59,038	79,344
Income from unlisted investments	167,010	278,099
Other income from unlisted investments	-	40,000

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

	2020	2019
	£	£
Interest receivable	75	309
	307,455	444,419

6. Other incoming resources

	2020	2019
	£	£
Expenditure recharged to DFN Project SEARCH for office facilities	45,629	15,456
Expenditure recharged to DFN Project SEARCH for the services of the CEO	73,140	-
	118,769	15,456

For expediency the Foundation and DFN Project SEARCH continued to share office facilities during the year.

DFN Project SEARCH is invoiced for the cost of the office rent and facilities. Following the appointment of Claire Cookson as the CEO of DFN Project SEARCH, the Foundation also raised a quarterly invoice at cost for the time that the CEO devoted to DFN Project SEARCH.

7. Raising Funds

	2020	2019
Fundraising and publicity	£	£
Fundraising costs	3,500	520
Investment management	39,800	46,230
	43,300	46,750

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

8. Charitable Activities

For the Year ended 31 December 2020

Charitable activities	Education and Employability 2020	Healthcare 2020	Conservation 2020	Total 2020
	£	£	£	£
Project SEARCH costs				
Direct costs	-	-	-	-
Management, facilities and support costs	-	-	-	-
Hosting & attending conferences	-	-	-	-
Franchise fee and support	-	-	-	-
Consultancy fees	-	-	-	-
DFN MoveForward				
Research costs	55,375	-	-	55,375
MoveForward Funding	186,957	-	-	186,957
	242,332	-	-	242,332
Grant funding of activities (note 9)	789,865	35,852	50,000	875,717
Share of support costs (note 10)	264,416	7,113	9,921	281,450
Share of governance costs (note 10)	88,542	3,075	4,289	95,906
	1,385,155	46,040	64,210	1,495,405
Analysis by fund				
Unrestricted funds	1,198,198	46,040	64,210	1,308,448
Restricted funds	186,957	-	-	186,957
	1,385,155	46,040	64,210	1,495,405

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

8. Charitable Activities (continued)

For the Year ended 31 December 2019

Charitable activities	Education and Employability 2019	Healthcare 2019	Donations to other Charities 2019	Total 2019
	£	£	£	£
Project SEARCH costs				
Direct costs	194,574	-	-	194,574
Management, facilities and support costs	210,282	-	-	210,282
Hosting & attending conferences	20,383	-	-	20,383
Franchise fee and support	67,984	-	-	67,984
Consultancy fees	22,972	-	-	22,972
DFN MoveForward				
Research costs	30,000	-	-	30,000
MoveForward Funding	171,520	-	-	171,520
	717,715	-	-	717,715
Grant funding of activities (note 9)	406,914	58,439	5,000	470,353
Share of support costs (note 10)	330,717	11,449	980	343,146
Share of governance costs (note 10)	91,313	4,703	402	96,418
	1,546,659	74,591	6,382	1,627,632
Analysis by fund				
Unrestricted funds	823,944	69,591	6,382	899,917
Restricted funds	722,715	5,000	-	727,715
	1,546,659	74,591	6,382	1,627,632

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

9. Grants Payable

	Education and Employability	Healthcare	Conservation	Total 2020	Total 2019
	£	£	£	£	
Grants to institutions:					
St Catherine's College, Cambridge	10,000	-	-	10,000	-
Himalayan Youth Foundation	26,565	-	-	26,565	723
Myeloma UK	-	35,852	-	35,852	58,439
Sport Godalming	-	-	-	-	5,000
DFN Project SEARCH	668,300	-	-	668,300	396,354
Mission EmployAble	10,000	-	-	10,000	-
Stepping Stones School	75,000	-	-	75,000	3,337
Scottish Commission for Learning Disability	-	-	-	-	5,000
British Association for Supported Employment	-	-	-	-	1,500
Big Butterfly Count	-	-	50,000	50,000	-
	789,865	35,852	50,000	875,717	470,353

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

10. Support Costs

	Support costs	Governance costs	2020	2019	Basis of allocation
	£	£	£	£	
Staff costs	127,540	-	127,540	149,015	Direct allocation
Depreciation	24,586	-	24,586	42,161	Direct allocation
Property costs	17,165	-	17,165	23,653	Direct allocation
Website hosting	9,384	-	9,384	12,926	Direct allocation
Administration costs	20,409	-	20,409	17,610	Resources expended
Education consultancy	16,855	-	16,855	61,507	Direct allocation
Public Relations	24,030	-	24,030	17,733	Resources expended
Office rent	41,481	-	41,481	14,140	Direct allocation
Management of Undershaw	-	-	-	4,401	Direct allocation
Audit fees	-	17,384	17,384	7,792	Resources expended
Legal and professional fees	-	64,707	64,707	77,747	Resources expended
Trustees' expenses	-	412	412	3,764	Resources expended
Management expenses	-	8,075	8,075	3,221	Resources expended
Bank charges	-	3,169	3,169	3,094	Resources expended
Board expenses	-	2,159	2,159	800	Resources expended
	281,450	95,906	377,356	439,564	
Analysed between					
Charitable activities	281,450	95,906	377,356	439,564	

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

The DFN Foundation initially identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with the governance costs are apportioned between the charitable activities undertaken in the year.

Where possible support and governance costs are allocated directly to the relevant charitable activity. Remaining costs are allocated on the basis of the ratio of resources expended (inclusive of capital costs) between the charitable activities.

As set out in Note 6 above the Foundation raised quarterly invoices (at cost) for support costs utilised by DFN Project SEARCH.

11. Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year. One Trustee was reimbursed a total of £412 (2019 - £3,764) for expenses incurred for various meetings with Trustees and Management throughout the year.

12. Auditor's Remuneration

The analysis of auditor's remuneration is as follows:

	2020	2019
	£	£
Audit of the annual accounts	17,384	7,792

The 2020 remuneration above contains an adjustment to the sum of £2,416 (2019 - £1,688) relating to an over provision of auditor's remuneration in 2019.

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

13. Employees

The average monthly number of employees over the course of the year were:

Number of employees	2020	2019
	Number	Number
Productive	-	2
Management	1	2
	1	4

In respect of the comparative year, on 30 September 2019, the contracts of employees involved in Project SEARCH activities were transferred to DFN Project SEARCH (Charity number: 1183834) following the assignment of the Master Franchise.

Up to 30 September 2019 the average number of employees for DFN Charitable Foundation was 5. For the period from 1 October 2019 - 31 December 2019 the average number of employees was 1.

Employment Costs	2020	2019
	£	£
Wages and salaries	100,000	253,471
Social security costs	8,593	27,249
Other pension costs	18,587	21,929
	127,180	302,649

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

The number of employees whose annual remuneration was £60,000 or more were:	2020	2019
	Number	Number
£80,000 - £89,999	-	1
£100,000 - £110,000	1	-

Contributions totalling £18,587 (2019 - £13,300) were made to defined contribution pension schemes on behalf of employees whose emoluments exceed £60,000.

The CEO received remuneration of £100,000 (2019 - £82,500).

As set out in note 6 above, following the appointment of Claire Cookson as the CEO of both the Foundation and DFN Project SEARCH the Foundation raised quarterly invoices for the time that Claire devoted to Project SEARCH, totalling £73,140 for the year.

14. Net gains/(losses) on investments

	2020	2019
	£	£
Revaluation of investments	(537,308)	(58,685)
Gain/(loss) on sale of investments	574,557	201,251
	37,249	142,566

15. Other gains or losses

	2020	2019
	£	£
Foreign exchange gains / (losses)	(46,176)	(48,424)

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

16. Tangible Fixed Assets

Tangible fixed assets	Land & Buildings	Hydro Therapy Pool	Furniture & Equipment	IT Equipment	Charity Website	Total
	£	£	£	£	£	£
Cost						
At 1 January 2020	6,622,912	148,161	190,657	112,192	24,735	7,098,657
Additions	-	-	-	-	1,500	1,500
At 31 December 2020	6,622,912	148,161	190,657	112,192	26,235	7,100,157
Depreciation and impairment						
At 1 January 2020	-	29,632	129,857	109,281	24,735	293,505
Depreciation charged in the year	-	7,408	15,222	1,456	500	24,586
At 31 December 2020	-	37,040	145,079	110,737	25,235	318,091
Carrying amount						
At 31 December 2020	6,622,912	111,121	45,578	1,455	1,000	6,782,066
At 31 December 2019	6,622,912	118,529	60,800	2,911	-	6,805,152

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

The carrying value of land included in land and buildings comprises:

	2020	2019
	£	£
Freehold	300,000	300,000

The purchase and renovation of the main Undershaw property, through which the DFN Foundation is delivering on part of its educational charitable objective is termed a mixed motive investment within the SORP FRS 102 as set out in note 18.

17. Fixed Asset Investments

	Listed investments	Unlisted investments	Total 2020	Total 2019
	£	£	£	£
Cost or valuation				
At 1 January 2020	5,710,612	5,969,564	11,680,176	12,267,461
Add - Additions at cost	1,076,266	267,871	1,344,137	2,043,347
Less - Disposals proceeds	(3,057,005)	-	(3,057,005)	(1,111,295)
Unrealised gains/(losses) on revaluation	115,137	(695,529)	(580,392)	(100,761)
Realised gains/(losses) on disposal	574,557	-	574,557	201,251
Value transferred to current asset investments	-	-	-	(1,619,828)
Carrying amount - as at 31 December 2020	4,419,567	5,541,906	9,961,473	11,680,175

Held within listed investments is a cash balance of £37,107 (2019 - £76,114) for investment purposes within an investment portfolio.

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

Other investments comprise:

	Notes	2020	2019
		£	£
Investments in subsidiaries	33	1	1
		1	1

	Notes	2020	2019
		£	£
Investments at fair value comprise: Unlisted Investments		5,541,906	5,969,564

Fixed Asset Investments Revalued

The investments, held for long term capital growth and income generation potential are valued at the Balance Sheet date at the fair value on the basis of:

Listed Investments - year end market valuation

Unlisted Investments - underlying net assets as valued by the fund manager

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

18. Mixed motive investments

	Freehold Property 2020	Freehold Property 2019
	£	£
At 1 January 2020	6,322,912	6,034,084
Addition of the Coach House	-	288,828
At 31 December 2020	6,322,912	6,322,912

As noted in previous reports, in the summer of 2016 the Charity completed the development of Undershaw into a special purpose school to provide facilities to disabled children.

The property is held within fixed assets in accordance with Section 21.15 of the SORP. The carrying value of the social investment as at 31st December 2020 was £6,322,912. The Coach House was included within the social investment at the time that the Lease was updated in 2019. Up to that time the Coach House had not been considered part of the social investment and therefore was excluded at the time of the negotiations for the original lease to Stepping Stones School in 2016.

The primary objective of this investment remains the furtherance of the Charity's objective to provide disabled students with access to educational provision improving access to employment, improved life skills and social communication.

The property continues to be leased to Stepping Stones School at a below market rate of rental, details of which are provided in note 32, and investment income from this property is considered of secondary importance to the furtherance of the Charity's objectives.

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

19. Current asset investments

	2020	2019
	£	£
Unlisted investments	-	1,619,828

Unlisted Investments are valued at the Balance Sheet date by the fair value of the underlying assets by the fund managers.

In the September 2019 meeting the Board determined to sell an investment to generate cash in anticipation of future commitments. The transfer of value to current asset investments represents both the carrying value of the investments at the year end and the cash received when redeemed on 1 January 2020 .

20. Debtors

Amounts falling due within one year:	2020	2019
	£	£
Trade debtors	29,600	49,643
Debtors	2,532,247	129,373
Prepayments and accrued income	21,663	15,872
	2,583,510	194,888

Other debtors includes a sum of £2,500,000 paid for the acquisition of investments for which the trade was not concluded until 4th January 2021.

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

21. Financial instruments

	2020	2019
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	2,561,847	173,409
Instruments measured at fair value through SOFA	9,961,473	13,300,004
Carrying amount of financial liabilities		
Measured at amortised cost	1,038,096	1,147,128

22. Creditors: amounts falling due within one year

	Notes	2020	2019
		£	£
Other taxation and social security		9,305	-
Deferred income	25	-	4,807
Trade creditors		13,087	2,499
Other creditors		165,488	153,722
Accruals		362,014	554,871
		549,894	715,899

23. Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Other creditors	497,507	436,036

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

24. Funding commitments

At the year end the funding commitments to Myeloma UK and the Himalayan Youth Foundation UK due within one year were calculated as £165,488 (2019 - £153,722) and are shown within current liabilities in note 23. The commitments due after one year amount to £455,841 (2019 - £436,036) and are included within long term liabilities within note 22.

The Foundation will continue to fund the commitments from current unrestricted cash reserves and future income generated from investments.

The ongoing commitments which extend beyond the 12 months following the Balance Sheet date have been calculated by the amortised cost method using an average return of investment rate calculated at 5% per annum (formally 8% per annum).

There are no performance related conditions attached to the Myeloma UK and Himalayan Youth Foundation commitments.

Myeloma UK

In the 2015 financial year the Foundation entered into a commitment to provide a grant to Myeloma UK (Charity registered in Scotland - 026116) of £1,000,000 in total over a set period to fund a development programme focusing on research. An agreement was subsequently put in place which included a timeline for the payment of the commitment over time. The timeline was nevertheless sufficiently flexible to respond to the funding demands of the research.

At the year end the Foundation has already committed £303,446 to the research programme with the remainder (being £696,554) to be paid in instalments over the next 4 years as agreed (discounted value £621,329).

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

Himalayan Youth Foundation

DFN Charitable Foundation entered into a commitment with the Himalayan Youth Foundation (UK registered Charity - 1124243), to make payments to sponsor a child each year over the next five years commencing in 2016. In keeping with this commitment, in 2020 the Foundation paid £1,400 to the Himalayan Youth Foundation for the annual sponsorship of a child. This commitment has now come to an end.

Big Butterfly Count

In pursuance of the Conservation objective, in the early part of the year the Foundation entered into an agreement to partner with the Big Butterfly Count as co-sponsor over a three year period commencing in 2020. These accounts reflect the full sum of the three year commitment of £50,000.

Stepping Stones School - Progression Coach

As detailed above and in partnership with the COINS Foundation, the Foundation has provided funds for the employment of a Progression Coach at Stepping Stones School over a three year period. These accounts reflect the full sum of the three year commitment of £75,000.

25. Deferred income

	2020	2019
	£	£
Arising from Services Provided	-	4,807

Deferred income recognised as at the 2019 year end relates to the services of the CEO as part of her work as a pilot project to establish best practice within mainstream schools to assist young people with learning difficulties into good quality work to be undertaken over the course of the 2020 spring term.

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

26. Contingent Asset

As noted in the Trustees' Report, in assessing current and future projects and the resources that may be absorbed, the Board maintain a review over income that may be expected to arise (with a reasonable degree of certainty) over the same period.

The Trustees' Report refers to a potential income stream that has been made available to the Foundation by the Chairman arising from the inclusion of the Foundation within the profit share arrangements for a number of investments to which the Chairman is a party to. It should be noted that the potential for future income is only available if each investment achieves a given level of performance over a minimum hurdle rate of return throughout the investment cycle; failure to achieve the given level will result in no income. It should also be noted that the Foundation is participating in a profit share arrangement and the success (or otherwise) of each investment will not result in any future liability or addition commitment for the Foundation.

At the year end the success (or otherwise) of achieving the given level of performance is unknown.

The table below sets out the estimated sums and the anticipated time scale. Both the sums and time scale are based on a number of estimates and assumes that the set performance criteria are achieved over the remaining life of each investment. On this basis the Board are of the view that the application of present value calculations to the figures below would not be appropriate.

- Potential receipt in year ended 31 December 2022 £741,914
- Potential receipt in year ended 31 December 2023 £10,979,321
- Potential receipt in year ended 31 December 2025 £175,832

The Board have determined that the estimation of future income for the purposes of the contingent asset note be reviewed annually. At each year end, where it is probable that future cash inflows arising from an investment can be measured reliably the income will be recognised in the Financial Statements.

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

27. Restricted funds

Details of restricted income and expenditure for the current and previous year are detailed below:

Movement in funds

	Balance at 1 January 2020	Incoming resources	Resources expended	Transfers	Balance at 31 December 2020
	£	£	£	£	£
DFN MoveForward	794,480	-	(186,957)	-	607,523

	Balance at 1 January 2019	Incoming resources	Resources expended	Transfers	Balance at 31 December 2019
	£	£	£	£	£
DFN MoveForward	936,000	-	(201,520)	60,000	794,480
DFN Project SEARCH	99,163	375,467	(521,196)	46,566	-
Myeloma UK	5,000	-	(5,000)	-	-
	1,040,163	375,467	(727,716)	106,566	794,480

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

DFN MoveForward

DFN MoveForward is an employability programme built on the tried and tested work of ThinkForward with the purpose to support and help young people with mild to moderate learning disabilities into sustainable paid employment.

As the lead commissioner through a Social Impact Bond, and with the aid of generous donations from supportive partner organisations, the Foundation has set aside in total £1,000,000 to assist in the funding of the DFN MoveForward Project over the next 5 years.

The Government's Life Chances Fund is working with the Foundation within the Social Impact Bond to provide match funding in addition to the Foundation's commitment.

Funds are advanced to ThinkForward on the basis of set sums as verified key goals are achieved by each young person as they move through the programme to sustained paid employment. Should any of the key goals not be met the Foundation and its partners are not obligated to provide funds.

The impact of COVID-19 necessitated a review of the delivery of the programme.

In response to the limitations of the lockdown and social distancing rules the Foundation has worked with ThinkForward to focus the work towards an activities based approach.

These accounts reflect a provision for payments due to ThinkForward of £186,957 (2019 - £201,520).

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

DFN Project SEARCH

As set out in earlier reports, the Master Franchise of Project SEARCH was assigned to DFN Project SEARCH in September 2019. Thereafter all income and expenditure, assets and liabilities arising from the operation of the Master Franchise are reported within the Accounts of DFN Project SEARCH (registered Charity number 1183834).

The Foundation continues to work with the Board of DFN Project SEARCH to put in place a process of monitoring performance against which any requests from DFN Project SEARCH to the Foundation for funding are measured.

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

28. Designated funds

The funds of the Charity include the following designated funds which have been set aside out of unrestricted funds by the Trustees for specific purposes:

	Balance at 1 January 2020	Resources expended	Charge to SOFA	Balance at 31 December 2020
	£	£	£	£
Myeloma UK	588,923	(3,446)	35,852	621,329
Himalayan Youth Foundation UK	839	(1,400)	561	-
	589,762	(4,846)	36,413	621,329

	Balance at 1 January 2019	Resources expended	Charge to SOFA	Balance at 31 December 2019
	£	£	£	£
Myeloma UK	730,484	(200,000)	58,439	588,923
Himalayan Youth Foundation UK	1,512	(800)	127	839
	731,996	(200,800)	58,566	589,762

The above funds have been designated by the Trustees to settle funding commitments to the charities stated. The terms of the funding commitments are as specified within note 24.

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

29. Financial commitments, guarantees and contingent liabilities

Investments

The DFN Foundation holds a portfolio which includes a range of investments. Within this portfolio is a specialist investment vehicle which is held as an unquoted fixed asset investment. The nature of this investment fund requires the DFN Foundation to make capital payments over a three year period of up to an amount which the DFN Foundation had committed to on application. Within this period, and as other investors join the fund, the DFN Foundation can be entitled to capital repayments as equalisation. Within the overall commitment of funds the timing and magnitude of each capital payment, or any equalisation repayments, are not subject to a set timetable.

At the year end the DFN Foundation had an outstanding commitment under this investment of £196,220 (2019 - £435,090). The DFN Foundation has sufficient funds held in other readily tradeable investments to fund future capital calls as and when they may arise.

ARK loan

The Board has previously approved in principle to make available loan finance of £1,000,000 to ARK in support of the EdCity project. The terms of the advance have yet to be determined. No provision has yet been made for this constructive obligation within these accounts.

In approving in principle this advance the Board determined that the Foundation has sufficient available resources to meet this commitment.

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

30. Analysis of net assets between funds

Fund balances at 31 December 2020 are represented by:

	Unrestricted funds	Restricted funds	Designated funds	Total
	£	£	£	£
Tangible assets	6,782,066	-	-	6,782,066
Investments	9,961,473	-	-	9,961,473
Current assets/(liabilities)	2,543,840	607,523	621,329	3,772,692
Long term liabilities	(497,507)	-	-	(497,507)
	18,789,872	607,523	621,329	20,018,724

Fund balances at 31 December 2019 are represented by:

	Unrestricted funds	Restricted funds	Designated funds	Total
	£	£	£	£
Tangible assets	6,805,152	-	-	6,805,152
Investments	11,680,175	-	-	11,680,175
Current assets/(liabilities)	1,677,917	794,480	589,762	3,062,159
Long term liabilities	(436,036)	-	-	(436,036)
	19,727,208	794,480	589,762	21,111,450

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

31. Operating lease receipts Lessor

The DFN Foundation continued to lease the freehold building and grounds to Stepping Stones School.

In accordance with the terms of the lease Stepping Stones School shall use Undershaw for the provision of education.

The new tenant repairing and insuring lease is for a period of 10 years which commenced on 1st September 2019, with future rent payments continuing on 1st January, 1st May and 1st September. The sums charged in the year remain well below the full market rate. An additional rental charge is made for reimbursement of the premium to insure the building.

Either party to the lease may terminate the agreement on 31st August in each year of the term by giving the other party not less than 12 months' notice.

The DFN Foundation has expressed its long term support of Stepping Stones School.

At the Balance Sheet date the School had contracted with the DFN Foundation for the following minimum lease payments:

	2020	2019
	£	£
Within one year	80,000	70,000
Between two and five years	400,000	380,000
In over five years	366,667	466,667
	846,667	916,667

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

32. Transactions with related parties

During the year the Charity entered into the following transactions with related parties:

Lease:

	2020	2019
	£	£
Stepping Stones School - receipt of rental income	70,000	46,667
Stepping Stones School - reimbursement of insurance	11,331	-
	81,331	46,667

Stepping Stones School is a related party due to the significant influence the Board of Trustees of the DFN Foundation has over the Board of Stepping Stones School. Services and goods have been provided to assist in the support of common goals. In addition Stepping Stones School was granted the right to use the property of Undershaw as a school site, under the terms of a lease agreement, for a fee below that of market rental.

As set out in note 9 the Foundation made a grant to Stepping Stones School totalling £75,000 (2019 - £3,337)

DFN Project SEARCH

The Charities SORP defines the term related parties as it is to be applied to charities. The SORP also sets out the conditions where one Charity may be considered as a related party to another Charity.

In accordance with these provisions DFN Project SEARCH is considered a related party of the Foundation following the appointment of a joint CEO.

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

The transactions between the two organisations are:

- Grants paid to DFN Project SEARCH by the Foundation of £668,300 (2019 - £396,354) as reported in Note 9.
- Charges made at cost for the services of the CEO of £73,140 (2019 - nil) as reported in Note 13.
- Shared office facilities were recharged to DFN Project SEARCH during the year totalling £45,629 (2019 - £15,456).

The DFN Foundation received the services of the office manager employed by DFN Project SEARCH for which invoices were raised at cost totalling £8,075 (2019 - £3,221).

These costs are reported within management expenses of £20,409 within note 10.

At the year end the Foundation owed DFN Project SEARCH £190,819 (2019 - £200,000).

Donations from Trustees

No donations that require disclosure were made to the DFN Charitable Foundation by any of the Trustees in the year.

DFN Events Limited

The DFN Foundation holds the share capital of DFN Events Limited, a company incorporated in the UK (company registration number 10628997) on 20th February 2017 for the purposes of hosting events to raise funds and to promote the work of the DFN Foundation. David Forbes-Nixon is the sole director of DFN Events Limited.

At the year end The Foundation was owed £nil (2019 - £28,301) by DFN Events Limited.

No fundraising events were hosted by DFN Events Limited in the year under review.

33. Subsidiaries

In keeping with their statutory obligations, the Board have arranged for separate Financial Statements for the year to 31 December 2020 to be prepared for the subsidiary.

The Board have not prepared consolidated Financial Statements as the relevant thresholds which require such treatment were not exceeded in the year under review.

Notes to the Financial Statements

For the year ended 31 December 2020 (Continued)

Details of the Charity's subsidiaries at 31 December 2020 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
DFN Events Limited	UK	Events company	Ordinary	100.00

34. Analysis of changes in net funds

The Charity had no debt during the year.

35. Cash generated from operations

	2020	2019
	£	£
Deficit for the year	(1,046,550)	(678,295)
Adjustments for:		
Investment income recognised in statement of financial activities	(307,455)	(444,419)
Gain on disposal of investments	(574,557)	(201,251)
Fair value gains and losses on investments	537,308	58,685
Depreciation and impairment of tangible fixed assets	24,586	42,161
Movements in working capital:		
Decrease/(increase) in debtors	111,378	(21,709)
(Decrease)/increase in creditors	(99,726)	270,526
(Decrease)/increase in deferred income	(4,807)	(54,799)
Cash absorbed by operations	(1,359,823)	(1,029,101)