

Annual Report and Accounts

2020



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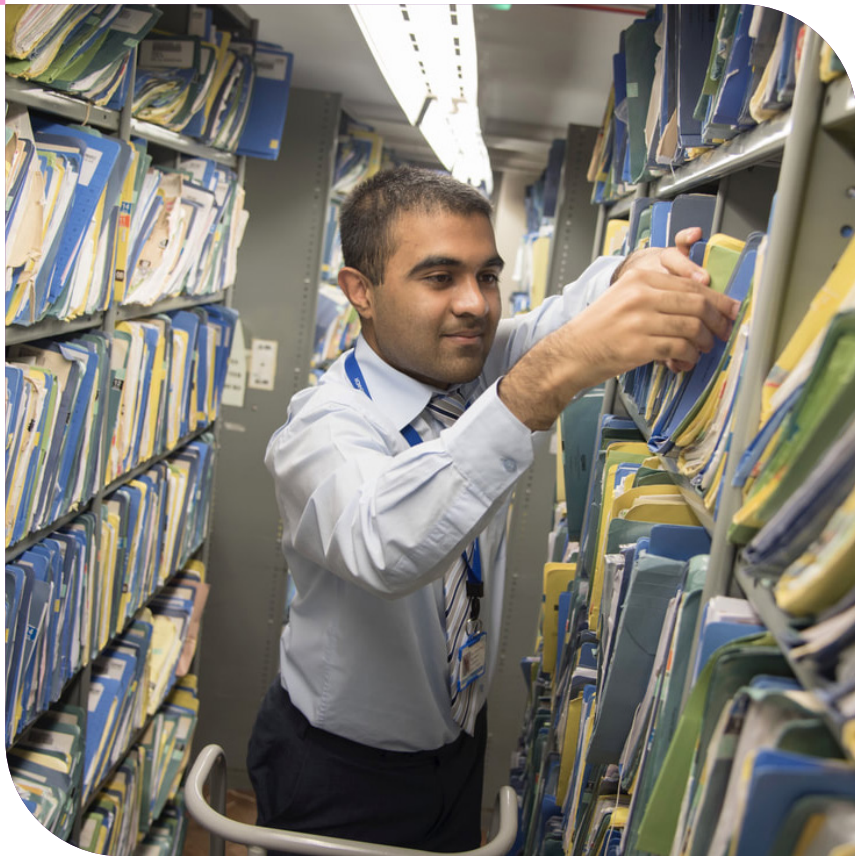
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■ INTRODUCTION

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
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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

“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.”

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 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'.

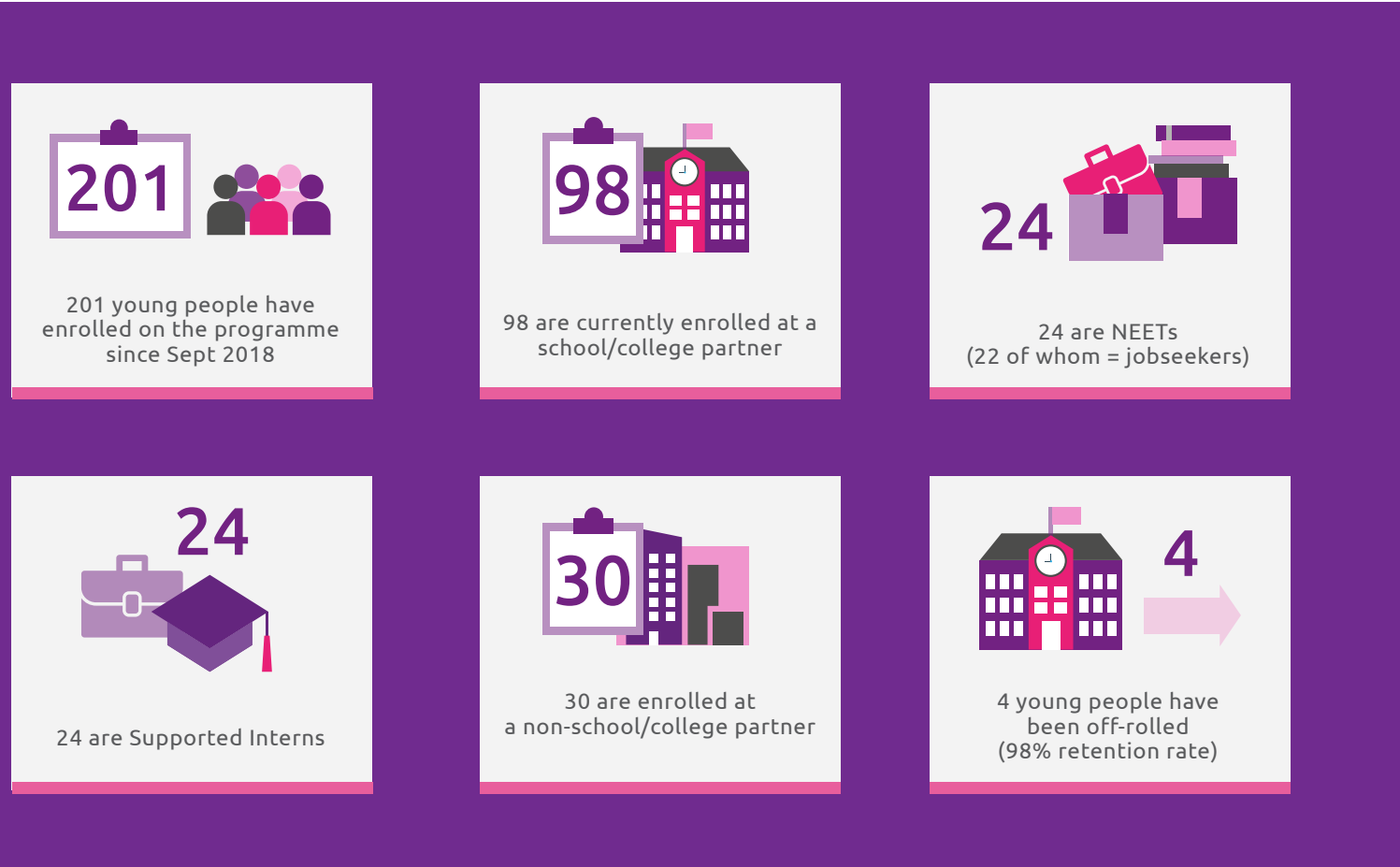
Trained Progression Coaches work with a caseload of 45+ young people through fully embedded partnerships with local special schools and further education colleges.

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

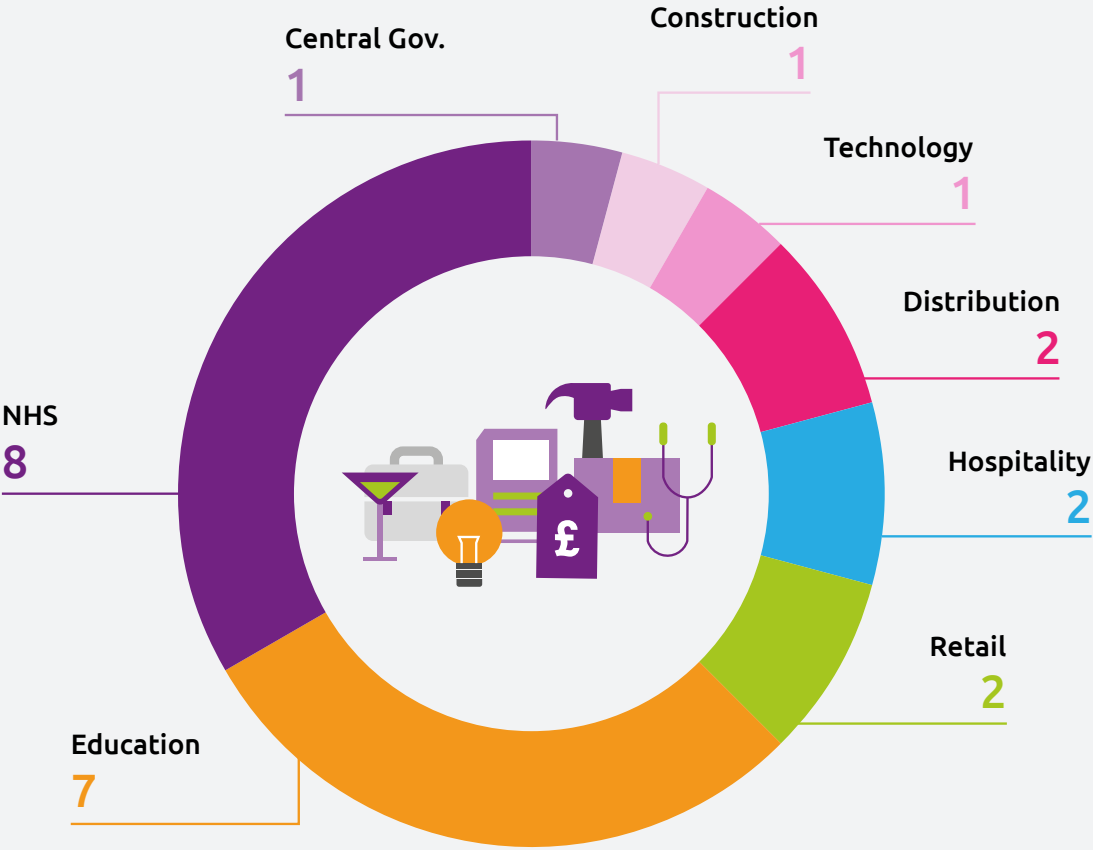
Links to DFN Project SEARCH:

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



Stepping Stones School



Jacqueline Silver
Headteacher

‘Eliminating the Impossible’ under the leadership of Jacqueline Silver

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.



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.

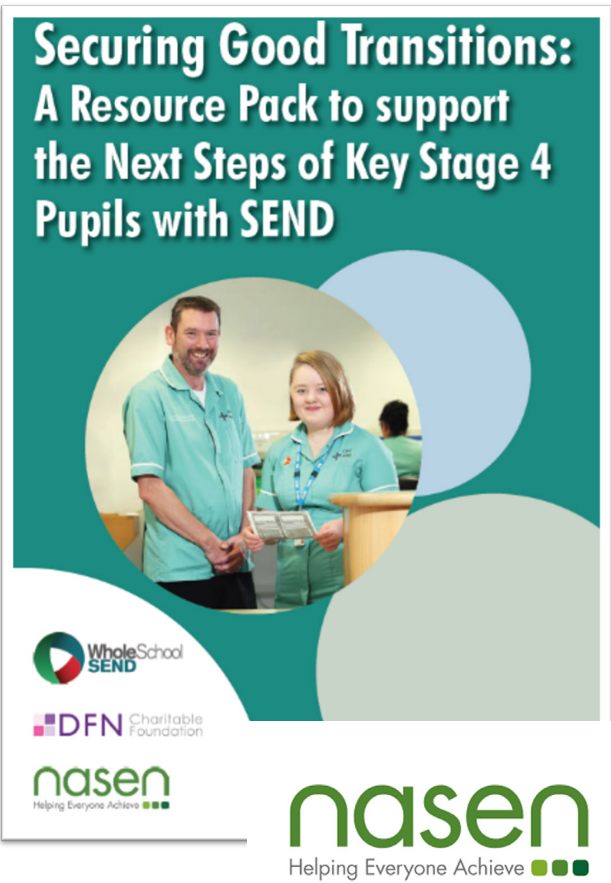
Jacqueline says of her recent appointment “I am so very fortunate to be afforded the opportunity to lead this remarkable school through the next phase of its lifetime and am passionate about changing the employability chances of young people with additional needs. Stepping Stones is set to make a real 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.”



Finding Your Future Episode 1 | Rachel Morris on tips to stay on track with your employment goals
1.2K views · 10 months ago
NSEF National SEND Employment Forum
We caught up with Rachel Morris on her top tips to staying motivated and on track to achieving professional goals. Rachel Morris ...



Finding your future Episode 11 | Martin Carter on wellbeing
245 views · 9 months ago
NSEF National SEND Employment Forum



Finding Your Future Episode 2 | Bruce O'Neil on knowledge and learning new transferable skills
529 views · 10 months ago
NSEF National SEND Employment Forum
Bruce O'Neil is Head of Music for the Royal Shakespeare Company, and has worked on numerous productions from the ...

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.

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.

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.

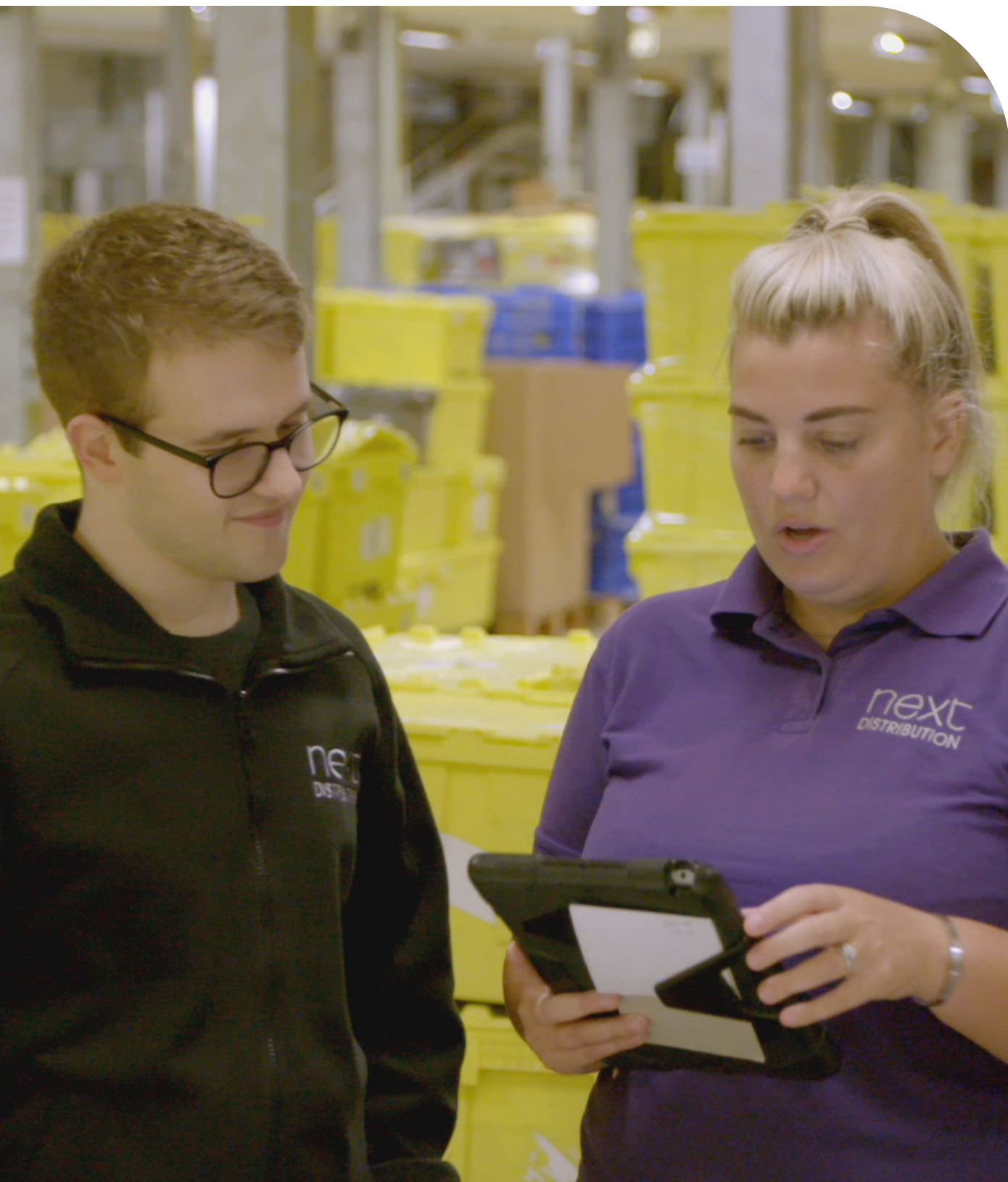


Government needs to find the confidence to look beyond the litany of strategies which litter the last 25 years and instead formulate and implement, within the lifetime of this Parliament, an action plan for tangible, measurable progress.

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.

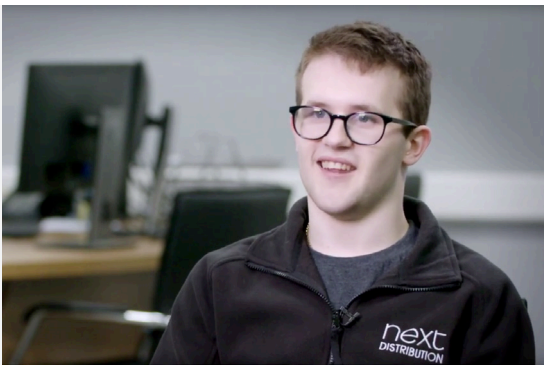
Our numbers*

	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

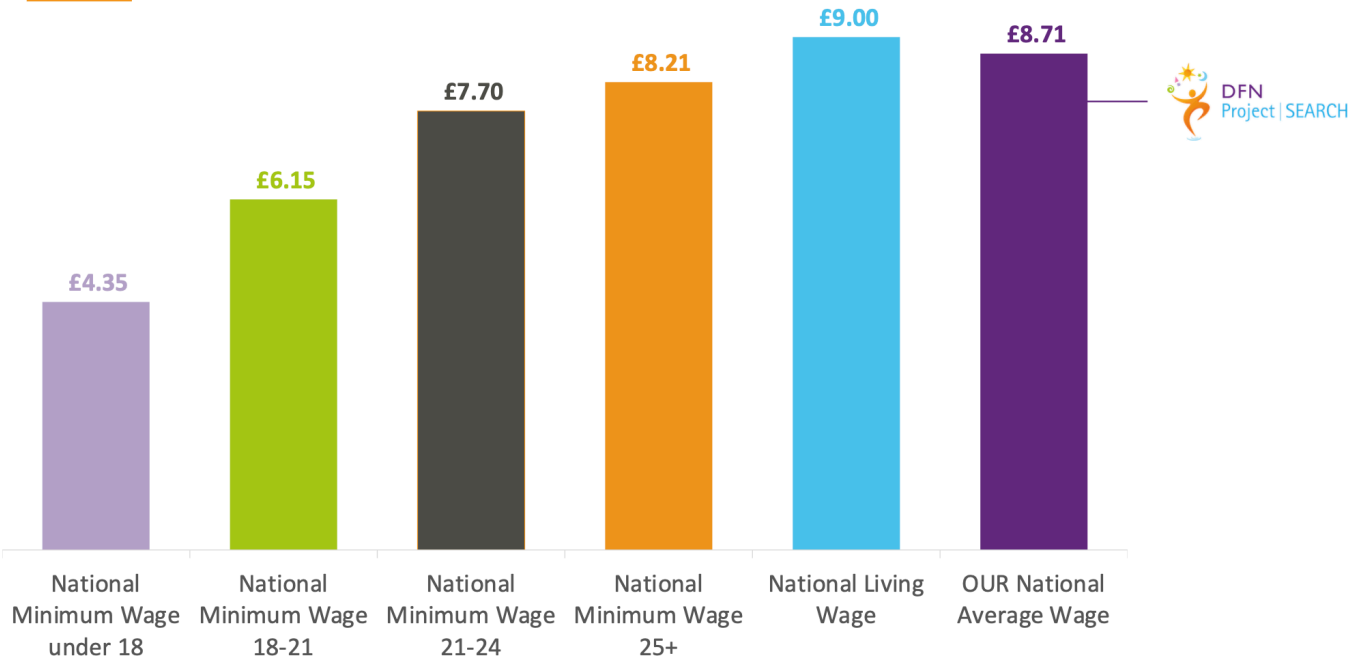
* The data collection occurs nine months after the interns completed their programme. Our latest data come from the 2018/19 cohort and were collected in June 2020.

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.



“

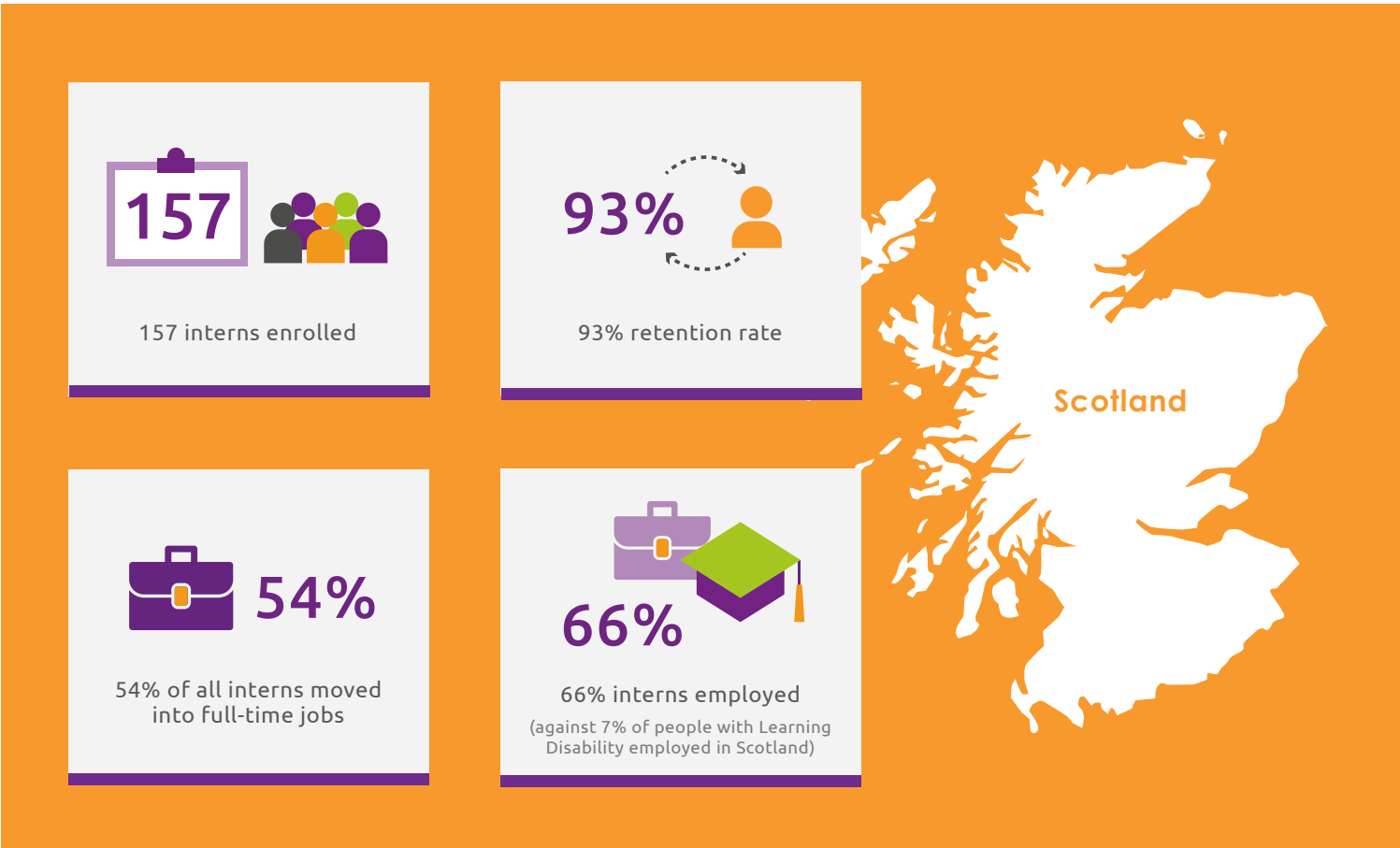
“My experience on Project SEARCH was amazing, Project SEARCH changed my life massively and gave me so much more independence and confidence.

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

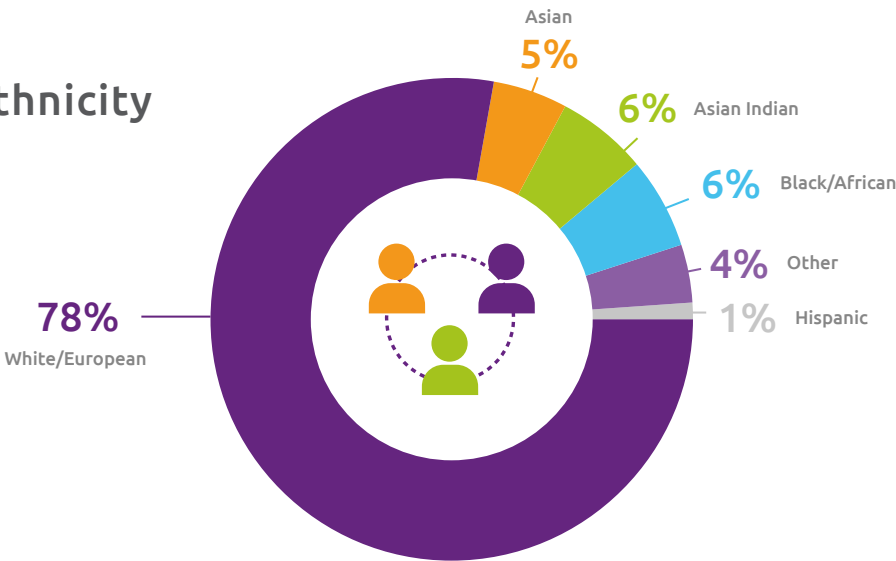
“For most of my adult life I have been heartbroken at the inequalities faced by people with a learning disability and people from Black and minority ethnic backgrounds in almost every sphere of life. As a trustee of DFN Project SEARCH as well as director of [Black Thrive Global](#), very little has given 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

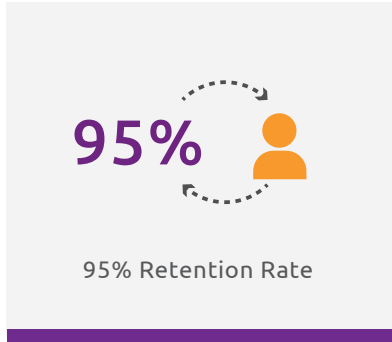
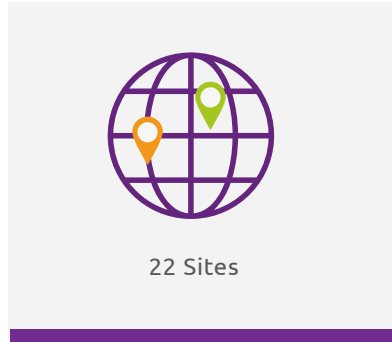


Spotlight on the NHS

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



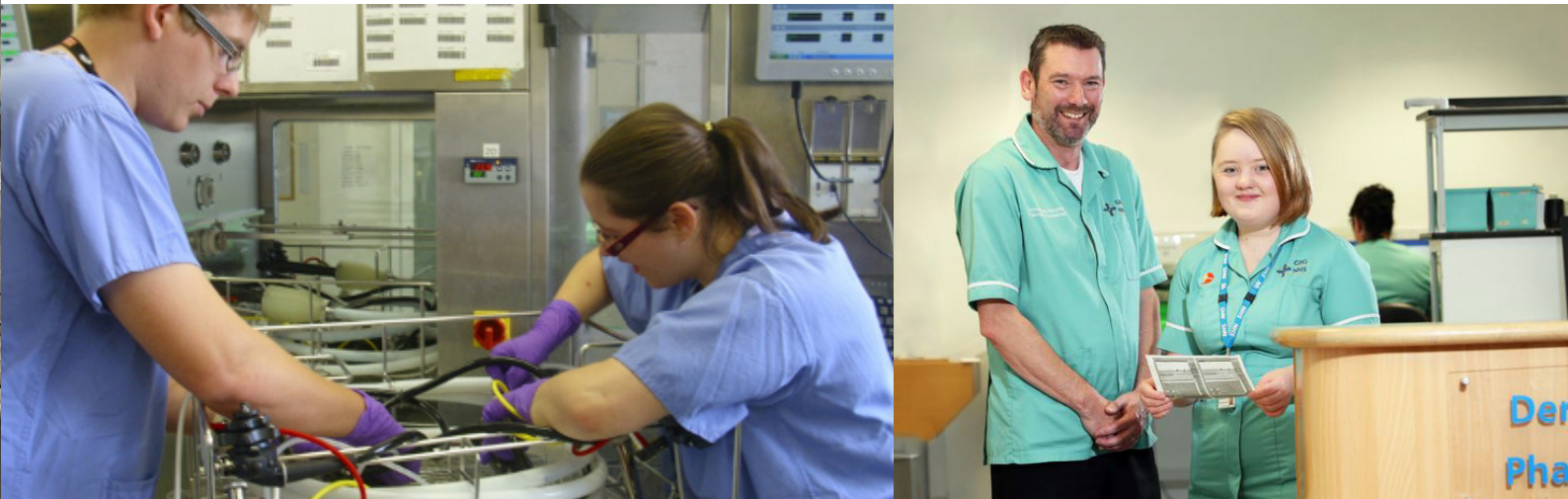
Ian Stenton,
Head of Sustainability - Liverpool University Hospitals
NHS Foundation Trust

“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.”

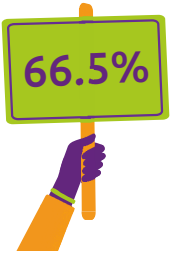


Listening to our Partners

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...



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 focussed 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

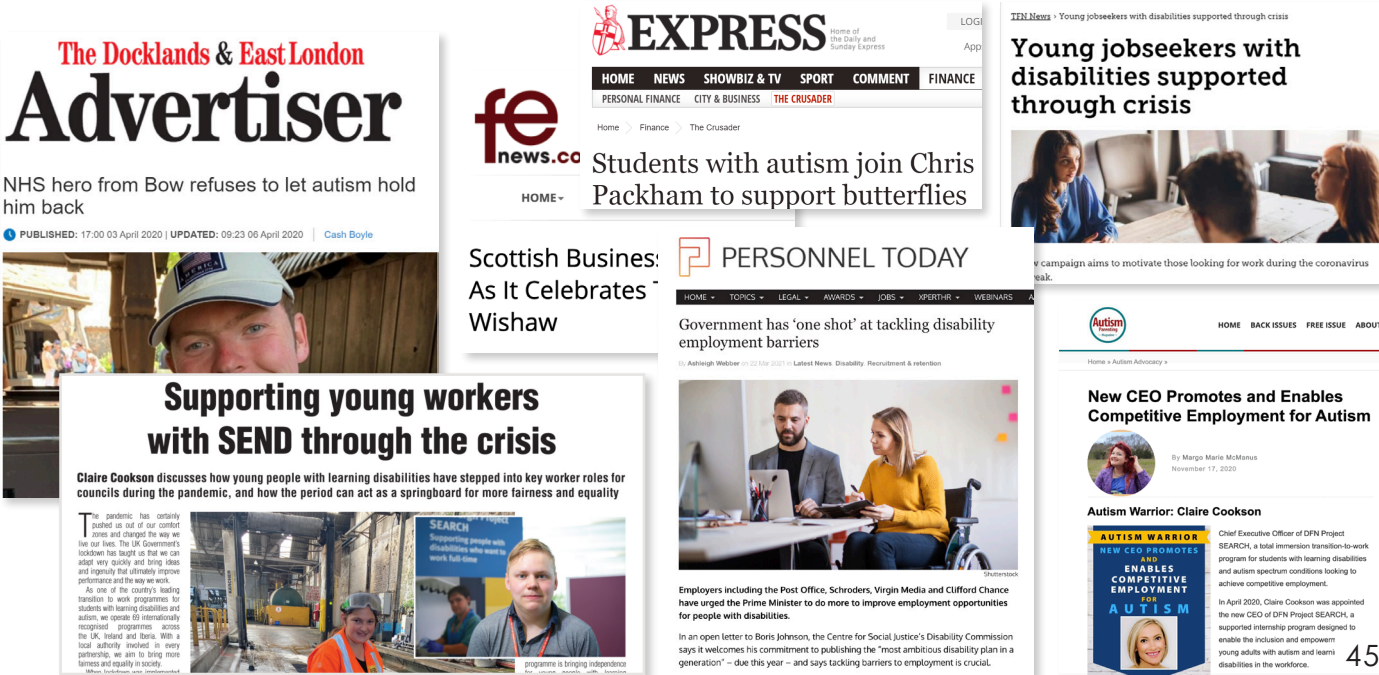
One of things **DFN Project SEARCH** has been so proud of during the pandemic is the number graduates who have been working in and securing key worker roles with NHS partners and local authorities. There have been so many inspiring stories that challenge the social hierarchy and force us to re-assess 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.

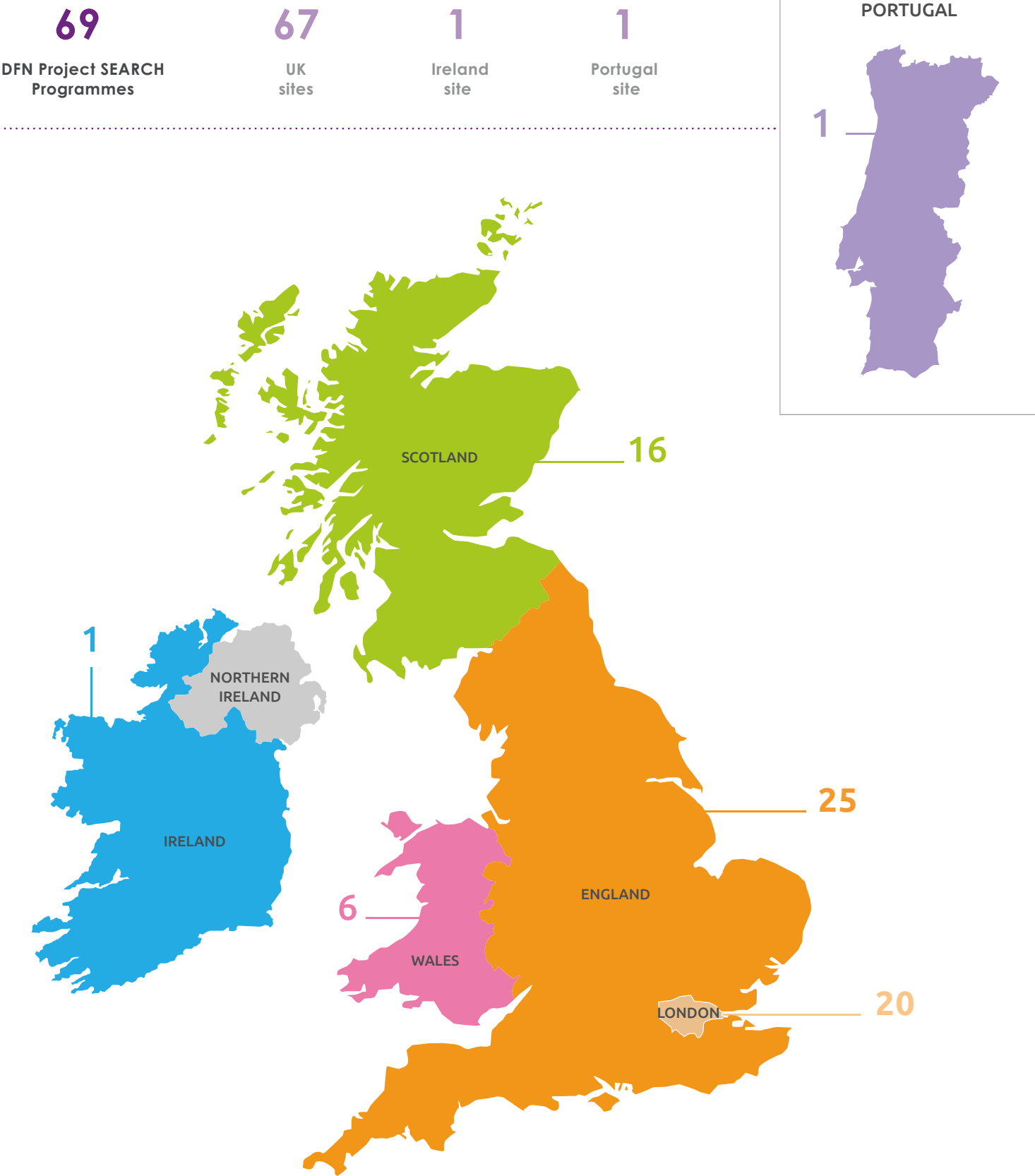
We are developing our ambassador strategy with leaders across business, education, local government and the young people who are smashing stereotypes and reaching their full potential.

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
Morriston 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.



Dr Martin Kaiser

- 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.

- 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.

- Dr Kaiser was invited to speak at the European Haematology Association and European Myeloma Network conferences on the topic of high-risk myeloma.
- Continued molecular analysis 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.

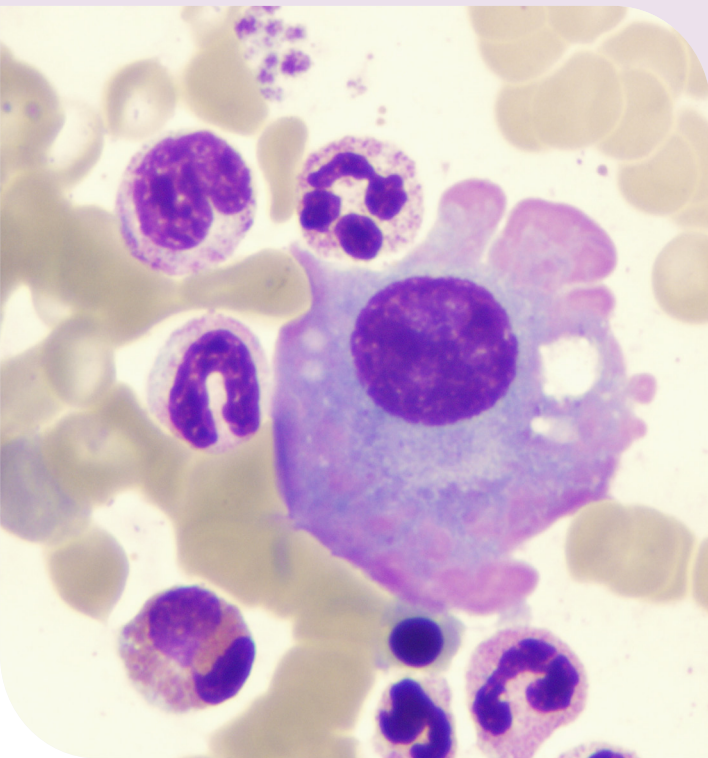
Other ongoing research

- 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	02	03
Following research to provide targeted small-scale financial support to nature conservation groups within the southeast.	To consider the provision of targeted funding for school resource materials in support of conservation group work in schools.	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.

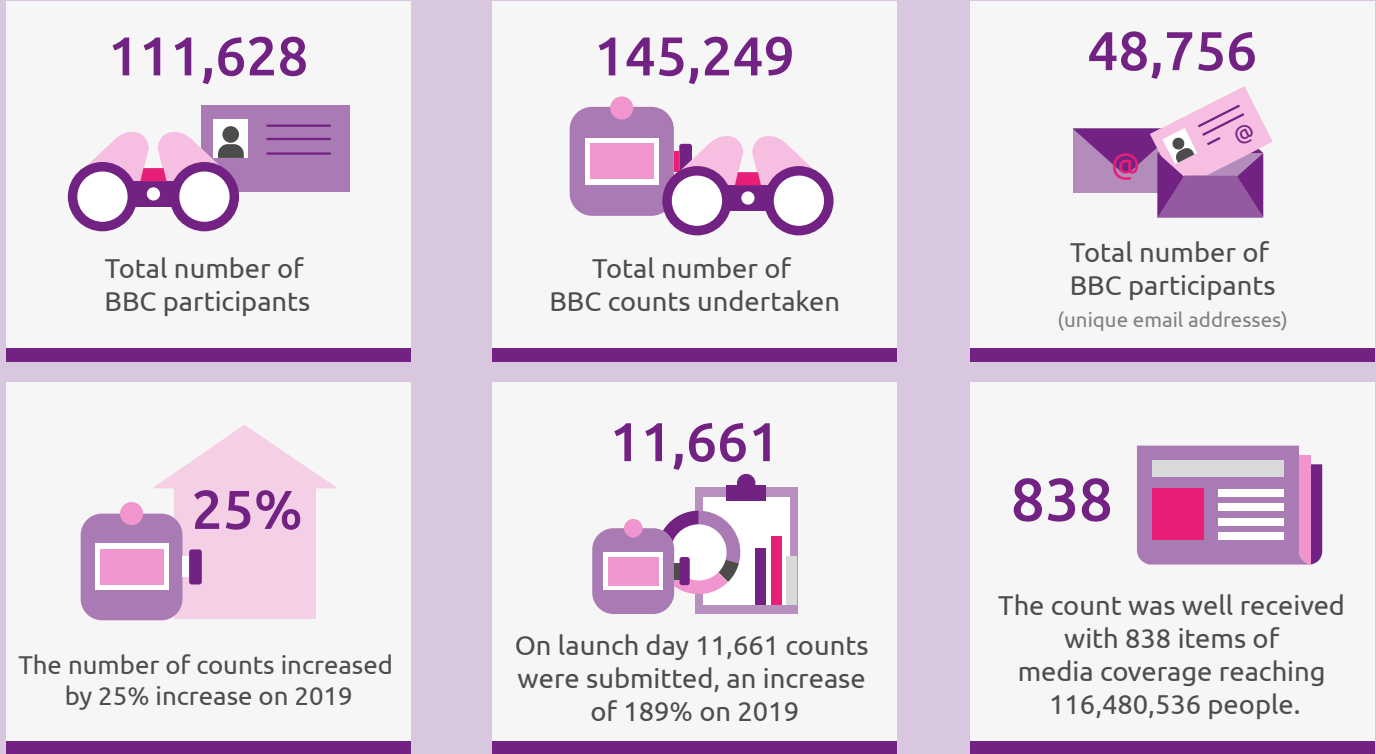


The DFN Foundation was the very proud co-sponsor of the 2020 Big Butterfly Count, the world’s biggest survey of butterflies.



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.

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.”

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.





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 enhances 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 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:

- 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.

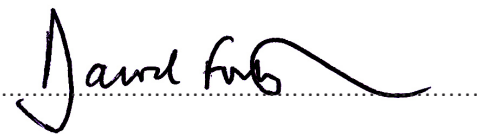
Auditor

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.

Dixon Wilson Audit Services LLP

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.

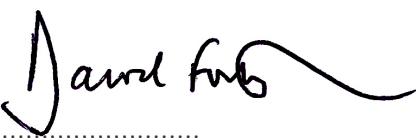
The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

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

		2020		2019	
Cash flows from operating activities	Notes	£	£	£	£
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)