

Charity registration number 1155919

Company registration number 08906571 (England and Wales)

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

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DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

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

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

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

Charitable objectives

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

Achievements and performance

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

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

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

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

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

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

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

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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

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

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

DFN Project SEARCH

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

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

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

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

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

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

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

The new strategy is broken down into five core levers:

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

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

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

DFN MoveForward

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

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

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

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

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

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

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

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

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

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

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

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

2023 highlights include:

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

4 - To ensure survival of the British butterfly.

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

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

Key highlights from the Big Butterfly Count 2023 Species Results:

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

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

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

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

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

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

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

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

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

Policy

Driving Positive Change with the Centre for Social Justice

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

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

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

The Disability Employment Charter

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

The Pangolin Project

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

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

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

Core pillars:

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

Aims:

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

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

Demonstrating public benefit

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

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

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

Grant making policy

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

Financial review

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

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

Other income and raising funds

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

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

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

Use of resources

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

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

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

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

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

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

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

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

Investment policy

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

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

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

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

Risk management

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

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

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

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

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

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

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

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

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

Diversity

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

Structure, governance and management

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

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

Mr D Forbes-Nixon OBE

Mr J Dickson

Mr S N Konsta

Mr E W Low

Mr H P Forbes-Nixon

Mr T O'Beirne

(Appointed 1 September 2023)

(Appointed 20 December 2023)

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

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

The number of Trustees shall not be less than two.

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

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

Trustee selection and induction

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

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

Auditor

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

Disclosure of information to auditor

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

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

Mr D Forbes-Nixon OBE
Chairman

11 September 2024

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

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

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

Opinion

We have audited the financial statements of David Forbes-Nixon Family Charitable Foundation (the 'charitable company') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the charitable company in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

Matters on which we are required to report by exception

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

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

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

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

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

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

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

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Dixon Wilson Audit Services LLP

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**Chartered Accountants
Statutory Auditor**

22 Chancery Lane
London
WC2A 1LS

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

Current financial year

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

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

All income and expenditure derive from continuing activities.

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

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

FOR THE YEAR ENDED 31 DECEMBER 2023

Prior financial year

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

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

All income and expenditure derive from continuing activities.

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

BALANCE SHEET

AS AT 31 DECEMBER 2023

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2023

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

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

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

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

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

Mr D Forbes-Nixon OBE
Executive Chair

Company Registration No. 08906571

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

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

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

1.1 Accounting convention

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

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

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

1.2 Going concern

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

1.3 Charitable funds

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

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

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

1.4 Incoming resources

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

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

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

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

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

1.5 Resources expended

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

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

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

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

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

1.6 Tangible fixed assets

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

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

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

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.7 Fixed asset investments

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

1.8 Impairment of fixed assets

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

1.9 Cash and cash equivalents

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

1.10 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.11 Employee benefits

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

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

1.12 Retirement benefits

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

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

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

1.13 Leases

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

1.14 Foreign exchange

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

1.15 Activity basis allocation

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

1.16 Mixed motive investments

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

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

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

2 Critical accounting estimates and judgements

Critical judgements

Undershaw

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

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

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

Impairment of fixed assets

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

Critical estimates

Funding commitments

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

Contingent assets

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

Unlisted investments

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

3 Donations

	2023 £	2022 £
Donations	10,800	20,000

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

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

4 Income from investments

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

5 Other incoming resources

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

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

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

6 Raising funds

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

8 Grants payable

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

9 Trustees

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

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

10 Support costs

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

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

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

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

11 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

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

12 Taxation

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

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

13 Employees

Number of employees

	2023 Number	2022 Number
Management	1	1

Employment costs

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

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

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

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

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

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

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

14 Net gains/(losses) on investments

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

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

15 Other gains or losses

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

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

16 Tangible fixed assets

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

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

	2023 £	2022 £
Freehold	300,000	300,000

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

17 Fixed asset investments

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

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

17 Fixed asset investments

(Continued)

	Listed investments £	Unlisted investments £	Total £
Cost or valuation			
At 1 January 2023	4,443,119	8,990,569	13,433,688
Additions	2,124,506	259,663	2,384,169
Valuation changes	(43,801)	932,734	888,933
Realised gains/ (losses) on disposal	227,733	112,969	340,702
Disposals	(2,107,504)	(1,177,080)	(3,284,584)
At 31 December 2023	4,644,053	9,118,855	13,762,908
Carrying amount			
At 31 December 2023	4,644,053	9,118,855	13,762,908
At 31 December 2022	4,443,119	8,990,569	13,433,688

	2023 £	2022 £
Other investments comprise:		
Investments in subsidiaries	32	1
	1	1

	2023 £	2022 £
Investments at fair value comprise:		
Unlisted investments	9,118,855	8,990,569
Listed investments	4,644,053	4,443,119
	13,762,908	13,433,688

Fixed asset investments revalued

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

Listed investments: - year end market valuation

Unlisted investments: - underlying net assets as valued by the fund manager

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

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

18 Debtors

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

19 Mixed motive investments

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

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

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

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

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

20 Financial instruments

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

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

21 Creditors: amounts falling due within one year

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

22 Creditors: amounts falling due after more than one year

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

23 Funding commitments

Myeloma UK

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

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

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

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

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

Undershaw Educational Consultant

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

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

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

Clifton College Development Trust

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

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

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

24 Contingent asset

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

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

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

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

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

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

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

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

25 Retirement benefit schemes

Defined contribution schemes

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

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

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

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

26 Financial commitments, guarantees and contingent liabilities

Investments

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

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

27 Restricted funds

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

Movement in funds

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

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

27 Restricted funds

(Continued)

DFN MoveForward

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

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

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

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

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

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

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

28 Unrestricted funds

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

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

28 Unrestricted funds

(Continued)

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

29 Analysis of net assets between funds

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

30 Operating lease receipts lessor

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

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

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

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

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

30 Operating lease receipts lessor

(Continued)

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

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

31 Transactions with related parties

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

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

31 Transactions with related parties

(Continued)

Undershaw Education Trust

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

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

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

Forbes Capital Investments Limited

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

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

DFN Project SEARCH

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

The transactions between the two organisations are:

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

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

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

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

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

DAVID FORBES-NIXON FAMILY CHARITABLE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

32 Subsidiaries

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

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

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

33 Cash generated from operations

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