

THE WILBUR AND NISO SMITH FOUNDATION

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

THE WILBUR AND NISO SMITH FOUNDATION

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THE WILBUR AND NISO SMITH FOUNDATION

CHARITY REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 30 JUNE 2020

Trustees

Wilbur Addison Smith
Mokhiniso Rakhimova Smith
Matthew Coward
Sebastian Davey (appointed
6th October 2020)

Charity registered number

1161513

Registered office

Unit 9
5-7 Wells Terrace London
N4 3JU

Principal operating office

Unit 9
5-7 Wells Terrace
London
N4 3JU

Accountants

Mercer & Hole
72 London Road
St Albans
Hertfordshire
AL1 1NS

Bankers

C. Hoare & Co.
37 Fleet Street
London
EC4P 4DC1

Credit Suisse
CH-8070
Zurich
0835

Independent Examiner

Steve Robinson FCA
Silbury Court
420 Silbury
Boulevard
Milton Keynes
MK9 2AF

THE WILBUR AND NISO SMITH FOUNDATION

TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2020

1. REFERENCE AND ADMINISTRATIVE DETAILS

The Wilbur & Niso Smith Foundation is as a Charitable Incorporated Organisation (CIO), registered with the Charity Commission in England and Wales, charity number 1161513.

The CIO always works under the name The Wilbur & Niso Smith Foundation.

The Wilbur & Niso Smith Foundation is based and administered in the United Kingdom. The registered address is Unit 9, 5-7 Wells Terrace, London, N4 3JU. The Foundation operates from the same address.

TRUSTEES

The trustees who held office during the year were as follows:

Wilbur Addison Smith (1st May 2015 – present day)
Mokhiniso Rakhimova Smith (1st May 2015 – present day)
Matthew Coward (1st May 2015 – present day)

Sebastian Davey (appointed 6th October 2020)

2. STRUCTURE, GOVERNANCE AND MANAGEMENT

The Wilbur & Niso Smith Foundation is a Charitable Incorporated Organisation (CIO), governed by its Constitution dated 01 May 2015, and registered with the Charity Commission.

The management of the CIO is conducted by its trustees. During this period, the CIO employed one full-time member of staff to oversee its running. When appropriate, additional trustee recruitment will be conducted by the current trustees by a process of invitation and application. The CIO works with freelance support staff.

The number of trustees must be a minimum of three at any time and new Trustees may be appointed for a renewable term of three years. No trustee receives remuneration or other benefit from their work with the Foundation.

3. OBJECTIVES AND ACTIVITIES

The CIO's objectives are for the benefit of the general public. The CIO aims:

- to promote and assist in the advancement of the arts and culture, in particular but not limited to the art of literature, and to extend and increase appreciation, knowledge and understanding of the same
- to promote and assist in the advancement of education, in particular but not limited to education relating to or associated with the art of literature
- advance other such purposes that are exclusively charitable according to the law of England and Wales as the trustees in their absolute discretion think fit

REVIEW OF ACTIVITIES

For the CIO, the focus of the year was on increasing reach. Growth of the CIO's flagship programme, the Wilbur Smith Adventure Writing Prize, concentrated on encouraging wider communities in the book world to get involved, namely libraries and the reading public. The CIO intends for the Prize to be celebrated by readers as well as writers.

Outside of the Prize, the CIO continued to strengthen relationships with other literacy organisations to reach more beneficiaries and drive greater impact than would be possible alone.

When the Covid-19 pandemic took hold in the UK in March 2020, the Foundation was forced to review its activities. A number of planned programmes and events were cancelled. Yet the Foundation was determined to keep its community inspired and adapted to a digital first offer where possible.

JULY 2019 - MARCH 2020

WILBUR SMITH ADVENTURE WRITING PRIZE

The annual Wilbur Smith Adventure Writing Prize seeks to support and celebrate the best adventure writing of the last year. The Prize accepts entries in three categories: Best Published Novel, Best Unpublished Manuscript, and the Author of Tomorrow for short stories by young writers, aged 21 and under.

2019 PRIZE

Under guidance from an expert judging panel, the awards were presented in a prizegiving ceremony at London's Stationers' Hall on 12th September 2019.

The panel comprised Sue Wilkinson, former CEO of national literacy charity The Reading Agency; Abir Mukherjee, bestselling author and winner of the 2018 Wilbur Smith Adventure Writing Prize; Levison Wood; writer, broadcaster, explorer; Kirsty Coventry, Olympic gold-medallist in Swimming and Minister for Youth, Arts, Sport and Recreation in Zimbabwe; Alex Crawford, Sky News Foreign Correspondent; and Kevin Conroy Scott, Wilbur Smith's literary agent.

The awards went to:

Best Published Novel | Prize: £15,000

Firefly by Henry Porter (UK)

Best Unpublished Manuscript | Prize: Publishing Deal with *Bonnier Books UK*, with a writer's advance of £15,000

What We Did at the End by Cecily Blench (UK)

Author of Tomorrow, in partnership with *Worldreader*

16-21 Years | Prize: £1,000 and digital publication

An Adventure at Sea by Meg Lintern (UK)

12-15 Years | Prize: £100 and digital publication

The Lament of Orphia by Eshana Dasanjh (UK)

11 and Under | Prize: £100 and digital publication

The Midnight Zone by Ewan Hart (UK)

Wilbur and Niso's commendation, Prize: £1,000 and digital publication;

Cold by Ryan Bridges (USA)

The CIO works with a freelance literary consultant to offer the writers shortlisted for Best Unpublished Manuscript one-to-one manuscript development. This support aims to assist these debut writers to reach the standard for submission to publishers and agents.

The CIO's partnership with Bonnier Books UK continues successfully. *Blood in the Dust* by Bill Swiggs, 2018's winner of the Best Unpublished Manuscript, was published in Australia in July 2019 and in the UK in September 2019.

2019's winner, Cecily Blench's *What We Did at the End* is slated for publication in June 2021. The relationship with Bonnier Books UK is set to continue for a further two prize cycles.

The ten young writers on the Author of Tomorrow shortlist worked with a professional editor to ensure their stories were ready to be published in the 2019 digital anthology, *Survival, Spirits and Submarines*. The anthology is available in Worldreader's open library to anyone, anywhere in the world with internet access.

2020 PRIZE

The fifth annual Wilbur Smith Adventure Writing Prize opened for submissions in January 2020 with plans in place to include a public vote for the Best Published novel award.

The CIO received 121 submissions for the Best Published Novel, a 36% increase from the previous year. When the pandemic struck, the decision was taken to put the award on hiatus for 2020, due to financial uncertainty and the need for the Foundation to maintain delivery of the most vital projects while the working environment changed week-by-week for the team and the volunteers supporting the Prize.

The Best Unpublished Manuscript Award and the Author of Tomorrow continued as intended. The 2020 awards ceremony was planned as a virtual event.

Key moments for the Prize:

- Securing press for the 2019 Prize, including articles in the Bookseller, Book Brunch, the Daily Mail, the Times of India, and a feature on BBC Radio 4's Open Book
- Securing and working with a larger team of twelve volunteer librarians to read, review and list entries for 2020's Best Published Novel award
- Collaborating with a team of 14 volunteers to support the shortlisting of the 2020 Author of Tomorrow through a guided review process

The CIO does not use paid advertising, instead using organically grown networks, partnerships and word of mouth to increase profile of the Prize. The plans to incorporate a public vote to increase awareness were postponed until 2021.

OTHER ACTIVITY

The CIO continued to support the unpublished writers discovered through the Prize, assisting them in their search to secure a literary agent. The remaining eight writers on the shortlist after the winner was revealed were added to a portfolio of debut writers and shared with the Foundation's growing network of UK literary agents. One secured representation.

Events and Workshops:

The CIO hosted 39 children and teachers for the HMS Adventure, a weekend of sea-faring themed creative writing and adventure workshops with an overnight stay on the HMS Belfast. After a successful weekend, the CIO planned to scale up and repeat the event in 2020. This was one of the projects unavoidably cancelled as a result of Covid-19.

In January 2020, author Edwin Thomas travelled to South Africa to undertake research for a Wilbur Smith collaboration. The author visited the Zulufadder community in Kwa-Zulu Natal and, on behalf of the Foundation, gave a workshop at their school and a talk with a local adult creatives group.

The CIO presented a set of talks by Prize judges and shortlisted authors in FE colleges across the UK, aimed to encourage literacy, using adventure as a springboard to becoming a reader. The talks featured Levison Wood in London, Holly Watt in Devon, and Abir Mukherjee in Glasgow. Colleges were invited to host the writers through The Reading Agency's 'Reading Ahead' programme. Speakers were joined by 100-150 attendees.

The Foundation confirmed a new partnership with Pen to Print, the ACE-funded NPO run by Barking and Dagenham Library. The activity was intended to be a series of professional-led workshops for aspiring writers and in-school workshops for KS3. These were cancelled due to the pandemic, but digital alternatives put in place for later in the year (see below.)

Collaborators:

The Foundation increased the number of volunteers involved in supporting its mission. The CIO hosted one work experience student and coordinated an additional 26 volunteers across multiple projects.

December 2019 saw the CIO engage a freelance Communications Coordinator to support the Prize administration and the Foundation's social media, in line with the CIO's ambition to increase reach. In April 2020, the Coordinator's focus was diverted to the wider Wilbur Smith brand, covering all of the author's social media channels. The Foundation continues to benefit from this joined up approach to communications.

The CIO's collaboration with an external brand consultant, engaged by Wilbur and Niso Smith, to work across all Wilbur Smith-related projects during this period was terminated in early 2020.

APRIL 2020 – JUNE 2020

Due to the global and national restrictions implemented as a result of the Covid-19 pandemic, the CIO shifted its output to wholly digital. The Foundation was fortunate to conduct a good proportion of work online already and this quick adaptation of the remainder allowed the CIO to maintain its community and networks.

The following new digital projects were planned in response:

- 1. The #AdventureSociety**

An online author-led book club with six titles chosen by the Best Published Novel award panel. Each episode was made freely available online, alongside talk sheets and guides for establishing a book group.

The below were undertaken in partnership with *Pen to Print*, progressing our partnership via a digital path:

- 2. Cloudburst – Your Questions Answered by Chris Wakling**

Questions were crowdsourced from young writers, filmed and pitched to Chris Wakling, co-author of *Cloudburst*, Wilbur Smith's first children's novel. A supporting classroom resource was created and made available to download on the CIO's website and the TES. Distribution was timetabled for July 2020.

- 3. Industry-led sessions to support writers**

Online events to offer insight to those hoping to break into the publishing industry, and specific writing advice. Invited speakers included writers, editors and agents.

All CIO trustees are aware of their obligations, paying due care and attention to ensure the CIO's work delivers public benefit as per the Charity Commission's guidelines.

4. ACHIEVEMENTS AND PERFORMANCE

As aforementioned, the CIO's focus for this year was to increase reach and, despite the unexpected changes, the Foundation was successful. The CIO grew its digital supporter base, through its social media channels, mailing list and by creating online-specific content for the Foundation's YouTube channel.

"Great content! Just discovered your channel and really like what you are doing! Subscribed!"

- **Viewer of industry-led online events**

"Thank you for a very interesting talk. I definitely want to read this book."

- **Viewer of the #AdventureSociety**

The CIO expanded its reach towards young people initially in person. 39 children and their teachers joined the Foundation from across the UK for the HMS Adventure – a weekend of creative writing. Qualitative feedback highlighted success in providing an inspirational opportunity:

"I have been reflecting on the weekend and cannot quite believe the experience you made happen for the children at Griffydam. Thank you so much for a fantastic opportunity and for what must have been hours of planning and preparation [...] I wanted to thank you and the Foundation from the bottom of my heart for a phenomenal weekend."

- **Teacher participating in the HMS Adventure**

Online, the CIO received 563 entries from 43 countries for the Author of Tomorrow. 1,238,451 words were submitted and read for the competition and ten writers shortlisted, aged 9 -21 years. 14 volunteers supported the Foundation to read and review these entries, providing feedback for the 75 young writers commended.

"Thank you very much for the detailed feedback! We're so amazed that you put such a great effort on advising us how we could further improve our writing. The suggestions are really useful! I'm sure my son, Dexter, has learnt a lot from you, and we do hope that will encourage him to keep creating and keep writing in the future! Thank you for your encouragement and advice!"

- **Parent of a commended young writer**

"The pleasure of reading and reviewing was all mine. The young writers are so talented, and their earnest writing put a smile on my face [...] The Foundation is doing such a great job with providing opportunities for them to showcase their work."

- **AoT Volunteer Reviewer, 2019**

Over the months after the 2019 Anthology was published with Worldreader in September 2019, it was accessed by 17,792 unique readers. The stories are read in over 100 countries, but the greatest readership is in Nigeria, Uganda, Ivory Coast, Tanzania and Ethiopia. Other locations include the Philippines, Pakistan, and Indonesia. Not only are these stories contributing towards the bid to improve global literacy levels, they are using adventure writing to do so.

Reading critically is as much a learning experience as writing and the Author of Tomorrow's greatest achievement is that it exists *for* young people, commends work *by* young people and works *with* them at every stage. The CIO invites the previous year's shortlisted young writers to judge the current cohort:

"I really enjoyed getting to read them and found I learned quite a bit about what makes a story good and what lets it down. Hopefully I can learn from this in my own writing. I'm looking forward to seeing who the final winners are!"

- **Author of Tomorrow, young judge**

A total of 843 entries were received for the 2020 Wilbur Smith Adventure Writing Prize from 48 different countries, close to the 884 received for the 2019 Prize.

Submissions were up for the Best Published Novel and Author of Tomorrow, but decreased in the Best Unpublished Manuscript category, likely due to the introduction of a submission fee. The fee was intended to discourage entries from writers whose work does not effectively fulfil the criteria while supporting administration of the award. This was successful and reflected in the quality of the manuscripts submitted and will continue into the future. The unpublished shortlist remained diverse with writers from Australia, Colombia, UK, USA and Canada represented.

Working with a panel of librarians and library staff to shortlist for the Best Published Novel award (or for 2020, the #AdventureSociety) continues to be a highlight. Their insights and experience are invaluable. This will continue again into the future.

"When I was accepted for the short-listing panel, I was excited to be a part of this initiative to reward the best in adventure writing. Little did I realise that the process was going to be very different from the one anticipated [due to the pandemic].

As I immersed myself in tales of courage and resourcefulness from different countries and eras the world outside rapidly changed into one where a simple visit to the shop became a risky operation! I enjoyed reading all the books and was happy to recognise some outstanding authors in the adventure story genre."

- **Best Published Novel, Reviewer 2020**

Throughout a year with the world in flux, the CIO was proud to push forward with its mission to empower writers, promote literacy and advance adventure writing as a genre.

5. FINANCIAL REVIEW

All activities undertaken by the CIO came in on budget.

Incoming resources totalled £111.6k; (of which £107.6k is comprised of donations).

The CIO's output changed this year, but still met its priority of increasing reach. The Wilbur Smith Adventure Writing Prize will continue in its current format with some refinements to build awareness further. The literacy-focused programming will continue to trial and develop new activity centred around the Author of Tomorrow and Wilbur Smith's children's books.

The CIO has no deficit. At Year End June 2020, the CIO's financial position is secure, with no concern as to continuation but continues in its intention to focus more closely on programme delivery and developing alternative income streams, to shape its future.

The trustees have decided that there is no need for a formal reserves policy; they have agreed to provide funds as needed from time to time to ensure the Foundation can carry out planned charitable activity.

As per Charity Commission guidance, with an income over £25,000, the CIO is required an independent examination but is exempt from statutory audit.

Approved by the Board of Trustees on 22 April 2021 and signed on their behalf by

.....
Sebastian Davey

(TRUSTEE)

THE WILBUR AND NISO SMITH FOUNDATION

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 30 JUNE 2020

I report to the charity trustees on my examination of the accounts of the charity for the year ended 30 June 2020 which are set out on pages 8 to 18.

RESPONSIBILITIES AND BASIS OF REPORT

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

INDEPENDENT EXAMINERS STATEMENT

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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



Signed.....

Date: 22 April 2021

Steve Robinson FCA

**Silbury Court
420 Silbury Boulevard
Milton Keynes
MK9 2AF**

THE WILBUR AND NISO SMITH FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 JUNE 2020

		Restricted funds	Unrestricted funds	Endowment funds	Total funds	Total funds
	Note	2020 £	2020 £	2020 £	2020 £	2019 £
INCOME FROM:						
Donations	2	1,000	106,593	-	107,593	19,119
Other income	3	-	4,048	-	4,048	-
TOTAL INCOME		1,000	110,641	-	111,641	19,119
EXPENDITURE ON:						
Charitable activities	4	9,987	100,582	-	110,569	111,691
TOTAL EXPENDITURE		9,987	100,582	-	110,569	111,691
NET EXPENDITURE		(8,987)	10,059	-	1,072	(92,571)
Transfers between Funds	11	-	-	-	-	-
NET MOVEMENT IN FUNDS		(8,987)	10,059	-	1,072	(92,571)
RECONCILIATION OF FUNDS:						
Total funds brought forward		8,987	21,447	94,759	125,193	217,764
TOTAL FUNDS CARRIED FORWARD		-	31,506	94,759	126,265	125,193

All income and expenditure derive from continuing activities.

The notes on pages 11 to 21 form part of these financial statements.

THE WILBUR AND NISO SMITH FOUNDATION

BALANCE SHEET AS AT 30 JUNE 2020

	Note	£	2020 £	£	2019 £
CURRENT ASSETS					
Debtors	9	1,856		12,416	
Cash at bank and in hand		130,873		113,858	
		<u>132,730</u>		<u>126,274</u>	
CREDITORS: amounts falling due within one year	10	(6,465)		(1,081)	
		<u></u>		<u></u>	
NET CURRENT ASSETS			126,265		125,193
NET ASSETS			<u>126,265</u>		<u>125,193</u>
CHARITY FUNDS					
Restricted funds	11		-		8,987
Endowment funds	11		94,759		94,759
Unrestricted funds	11		31,506		21,447
TOTAL CHARITY FUNDS			<u>126,265</u>		<u>125,193</u>

The financial statements were approved by the Trustees on 22 April 2021 and signed on their behalf, by:

.....
Sebastian Davey

The notes on pages 11 to 21 form part of these financial statements.

THE WILBUR AND NISO SMITH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The Wilbur and Niso Smith Foundation is a charitable incorporated organisation registered with the Charity Commission for England and Wales (registered no. 1161513). The address of the registered office is given in the Charity information on page 1 of these financial statements. The nature of the Charity's operations and principal activities are to promote and assist in the advancement of the arts and culture, and education.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and Charities Act 2011.

The Wilbur and Niso Smith Foundation constitutes a public benefit entity as defined by FRS 102. The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the Charity and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Expendable endowments are distinguishable from income funds in that there is no actual requirement to spend or apply the capital unless, or until, the Trustees decide to spend it. If the Trustees exercise the power to spend or apply the capital of the expendable endowment, the relevant funds become unrestricted funds or restricted income funds depending on whether the terms of the gift permit expenditure for any of the Charity's purposes, or only for specific purposes.

1.3 Income recognition

All incoming resources are included in the Statement of Financial Activities (SOFA) when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

THE WILBUR AND NISO SMITH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the Charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.4 Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Expenditure on charitable activities includes all costs incurred on furthering the objects of the Charity.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the Charity.

1.5 Support costs allocation

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the Charity. Governance costs are those incurred in connection with the running of the Charity and compliance with constitutional and statutory requirements.

An analysis of these costs is included in Note 6.

THE WILBUR AND NISO SMITH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

1.6 Debtors and creditors receivable / payable within one year

Debtors are recognised when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Creditors are recognised when the Charity has a present legal or constructive obligation resulting from a past event and the settlement is expected to result in an outflow of economic benefits.

1.7 Financial instruments

The Charity only holds basic Financial Instruments. The financial assets and financial liabilities of the Charity are as follows:

Debtors — Gift Aid claim including repayment supplement is a basic financial instrument and is considered to be a debt instrument measured at amortised cost as detailed in Note 9. Prepayments are not financial instruments.

Cash at bank — is classified as a basic financial instrument and is measured at face value.

Liabilities — accruals are classified as financial instruments and are measured at amortised cost as detailed in Note 10.

1.8 Pensions

When employees have rendered service to the Charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

1.9 Tax

The Charity is an exempt Charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it is able to take advantage of applicable Charity tax exemptions for UK corporation tax purposes.

1.10 Going concern

The financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The Trustees have agreed to provide funds as need from time to time to ensure the Foundation can carry out planned charitable activity.

1.11 Critical accounting estimates and areas of judgment

The only judgement which has been made in the process of applying the above accounting policies that has had a significant effect on amounts recognised in the financial statements is the estimate of the value of gifts in kind.

THE WILBUR AND NISO SMITH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

2. INCOME FROM DONATIONS

	Restricted funds	Unrestricted funds	Endowment fund	Total funds	Total funds
	2020	2020	2020	2020	2019
	£	£	£	£	£
Donations	1,000	95,671	-	96,671	11,575
Gifts in kind – Book donation	-	-	-	-	1,158
Gifts in kind – Accountancy	-	850	-	850	1,650
Gifts in kind - Equipment	-	-	-	-	108
Gifts in kind - Catering	-	4,617	-	4,617	139
Gifts in kind - Insurance	-	-	-	-	543
Gifts in kind - Professional Fees	-	-	-	-	3,692
Gifts in kind - Event Space	-	-	-	-	254
Gifts in kind - Grants	-	1,000	-	1,000	-
Gifts in kind – Software	-	4,455	-	4,455	-
Total 2020	<u>1,000</u>	<u>106,593</u>	<u>-</u>	<u>107,593</u>	<u>19,119</u>
Total 2019	<u>8,987</u>	<u>10,132</u>	<u>-</u>	<u>19,119</u>	

THE WILBUR AND NISO SMITH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

3. OTHER INCOME

	Unrestricted funds	Endowment fund	Total funds	Total funds
	2020	2020	2020	2019
	£	£	£	£
Other income	4,048	-	4,048	-
	<hr/>	<hr/>	<hr/>	<hr/>
	<hr/>	<hr/>	<hr/>	<hr/>
Total 2020	<hr/> 4,048 <hr/>	<hr/> - <hr/>	<hr/> 4,048 <hr/>	<hr/> - <hr/>

THE WILBUR AND NISO SMITH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

4. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Activities undertaken directly	Grant funding of activities	Support costs	Total	Total
	2020	2020	2020	2020	2019
	£	£	£	£	£
Advancement of Arts and Culture	81,289	22,200	7,080	110,569	111,691
Total 2020	81,289	22,200	7,080	110,569	

In 2020, £100,582 of the expenditure on charitable activities was from unrestricted funds.

Grants payable are analysed in Note 5.

Support costs are analysed in Note 6.

5. GRANTS PAYABLE

	2020	2019
	£	£
Worldreader	5,000	5,000
The Reading Agency	-	10,000
Prizes for authors as detailed in Trustees' report	17,200	25,000
Total	22,200	40,000

THE WILBUR AND NISO SMITH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

6. SUPPORT COSTS

	Advancement of Arts	Total	Total
	2020	2020	2019
	£	£	£
Email	87	87	82
Bank Charges	541	541	583
Other administrative costs	526	526	1,414
Governance costs	900	900	900
Advertising	-	-	108
Professional fees	-	-	3,692
Office space	2,430	2,430	3,000
Accountancy fees	850	850	850
Software	-	-	169
Insurance	543	543	543
Printing and stationery	389	389	-
Postage	88	88	-
Travel	160	160	-
Computer running costs	566	566	-
Total 2020	<u>7,080</u>	<u>7,080</u>	<u>11,341</u>
Total 2019	<u>11,341</u>	<u>11,341</u>	

Governance costs above include the fees payable to the Independent Examiner of £900 (2019 - £900) in relation to the Examination of the financial statements.

7. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2020	2019
	£	£
Independent Examiners' Remuneration	<u>900</u>	<u>900</u>

During the year, no Trustees received any remuneration (2019 - £nil).

During the year, no Trustees, who are considered to be the Key Management Personnel of the Charity, received any employee benefits (2019 - £nil).

During the year, no Trustees received any reimbursement of expenses (2019 - £nil).

THE WILBUR AND NISO SMITH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

8. STAFF COSTS AND EMPLOYEE BENEFITS

	2020	2019
	£	£
Wages and salaries	40,000	37,044
Social security costs	4,311	951
Other pension costs	2,365	699
Prior year employment allowances	-	(5,311)
	<u>46,676</u>	<u>33,383</u>

The average number of persons employed by the Charity during the year was as follows:

2020	2019
No.	No.
1	1

No employee received remuneration amounting to more than £60,000 in either year.

9. DEBTORS

	2020	2019
	£	£
Other debtors	-	11,166
Prepayments	<u>1,856</u>	<u>1,250</u>
	<u>1,856</u>	<u>12,416</u>

10. CREDITORS: Amounts falling due within one year

	2020	2019
	£	£
Other creditors	5,565	181
Accruals	<u>900</u>	<u>900</u>
	<u>6,465</u>	<u>1,081</u>

THE WILBUR AND NISO SMITH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

11. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 July 2019	Income	Expenditure	Transfers in/ out	Balance at 30 June 2020
Restricted funds					
HMS Adventure fund	8,987	-	(8,987)	-	-
Prize communications	-	1,000	(1,000)	-	-
	<u>8,987</u>	<u>1,000</u>	<u>(9,987)</u>	<u>-</u>	<u>-</u>
Unrestricted fund					
General Fund	<u>21,447</u>	<u>110,641</u>	<u>(100,582)</u>	<u>-</u>	<u>31,506</u>
Endowment fund					
Endowment Fund	<u>94,759</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>94,759</u>
Total of funds	<u>125,193</u>	<u>111,641</u>	<u>(110,569)</u>	<u>-</u>	<u>126,265</u>

The Endowment Fund represents an initial £300,000 donation (including attributable Gift Aid) made in 2015 from Wilbur Smith given as an expendable endowment such that the Trustees can spend the income arising and also, at their discretion, the capital of the fund, on any of the objects and purposes of the Charity. During the prior year the Trustees decided to transfer an amount of £120,000 from the Endowment Fund to avoid running down the General Fund.

The Restricted Fund income represents funds received for the HMS Adventure project. The project took place in July 2019 and was aimed at providing primary school children the opportunity to participate in creative writing activities as well as experience life on board an old warship.

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 July 2018	Income	Expenditure	Transfers in/ out	Balance at 30 June 2019
Restricted fund					
HMS Adventure Fund	<u>-</u>	<u>8,987</u>	<u>-</u>	<u>-</u>	<u>8,987</u>
Unrestricted fund					
General Fund	<u>3,005</u>	<u>10,132</u>	<u>(111,691)</u>	<u>120,000</u>	<u>21,447</u>
Endowment fund					
Endowment Fund	<u>214,759</u>	<u>-</u>	<u>-</u>	<u>(120,000)</u>	<u>94,759</u>
Total of funds	<u>217,764</u>	<u>19,119</u>	<u>(111,691)</u>	<u>-</u>	<u>125,193</u>

THE WILBUR AND NISO SMITH FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Restricted fund	Unrestricted fund	Endowment fund	Total funds
	2020	2020	2020	2020
	£	£	£	£
Current assets	-	37,971	94,759	132,730
Creditors due within one year	-	(6,465)	-	(6,465)
	<u>-</u>	<u>31,506</u>	<u>94,759</u>	<u>126,265</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Restricted fund	Unrestricted fund	Endowment fund	Total funds
	2019	2019	2019	2019
	£	£	£	£
Current assets	8,987	22,528	94,759	126,274
Creditors due within one year	-	(1,081)	-	(1,081)
	<u>8,987</u>	<u>21,447</u>	<u>94,759</u>	<u>125,193</u>

13. RELATED PARTY TRANSACTIONS

In the period, there were the following related party transactions:

Wilbur Smith and Mokhiniso Smith are directors of Orion Mintaka (UK) Limited.

During the year Niso Smith, a Trustee, provided the Charity with gifts in kind for catering totalling £4,617 (2019 - £139), gifts in kind - grants totalling £1,000 (2019 - £nil) and gifts in kind – software totalling £4,455 (2019: £nil). (Other donations in 2019 included gifts in kind – professional fees totalling £3,692, gifts in kind - book donations totalling £1,158 , equipment expenses totalling £108, insurance charges totalling £543 and event space totalling £254). At the year-end no amounts were repayable in respect of these gifts in kind.

During the year Wilbur Smith and Niso Smith, both Trustees, provided the Charity with a financial donation totalling £95,000 (2019 - £1,000). At the year-end no amounts were repayable in respect of these donations.

During the year MacIntyre Hudson provided the Charity with gifts in kind totalling £nil (2019 - £800) towards the cost of accountancy fees. At the year-end no amounts were repayable in respect of this gift in kind.

During the year Mercer & Hole provided the Charity with gifts in kind totalling £850 (2019 - £850) towards the cost of accountancy services. At the year-end no amounts were repayable in respect of this gift in kind.

There were no other donations from Trustees or related parties.