



## **Annual Report and Financial Statements**

**For the year ended 31 March 2023**

Charity Registration No. 1163956

## **The Kentown Wizard Foundation**

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## The Kentown Wizard Foundation

### Reference and Administration Details

For the year ended 31 March 2023

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<b>Charity registration number</b>	1163956
<b>Founder</b>	Mr K Townsley
<b>Trustees</b>	Mr K Townsley Mr D Bamber Ms K Graham Mr R G Ingle
<b>Chief Executive Officer</b>	Ms M Ingram
<b>Registered office</b>	Metro House Limited Unit 14-17 Metropolitan Business Park Preston New Road Blackpool FY3 9LT
<b>Auditor</b>	MHA Moore and Smalley Richard House 9 Winckley Square Preston PR1 3HP
<b>Solicitor</b>	Fielden Marshall Glover Strutt 1 Middle Street Lancaster LA1 1JZ
<b>Investment managers</b>	Barclays Bank plc 4 <sup>th</sup> Floor Bridgewater House Counterslip Finzels Reach Bristol BS1 6BX  Castlefield Investment Partners LLP 111 Piccadilly Manchester M1 2HY

## **The Kentown Wizard Foundation**

### **Report of the Trustees**

**For the year ended 31 March 2023**

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The Trustees present their report and the audited financial statements of the charity for the year ended 31 March 2023. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 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 published in October 2019.

#### **Objectives, activities and achievements**

The Kentown Wizard Foundation was established for general charitable purposes and focuses on benefitting children and young adults with life-threatening conditions and serious disabilities.

Our mission is to have a positive impact on the lives of such children and we achieve this mission by making grants to UK registered charities whose aims and values are closely aligned with ours. We are committed to using our funds wisely and strive for maximum impact with every charity we support.

Our Founder is Ken Townsley, a highly successful businessman and philanthropist. Ken's story is remarkable; it is the story of a man from humble beginnings whose life-long love of travel took him, over a forty-year period, from an apprentice at Blackpool Airport to the owner of Gold Medal Travel Group plc. Ken's inspirational story can be read in more detail on our website at [www.kentownwizard.org](http://www.kentownwizard.org)

#### **Achievements in the year**

This year we have continued to strengthen existing relationships by supporting charities still recovering from the pandemic. We have been impressed by the resilience these charities have shown and their ability to adapt to new challenges.

During the year we made 8 new grants to UK registered charities totalling £1.54m and continued supporting other charities through our multi-year funding commitments.

#### **Make A Wish Foundation (UK)**

We have been supporting this charity since our inception, making grants to fund the cost of Disneyland Paris wishes for seriously ill children and their families. The inability to travel during the pandemic resulted in a backlog of Paris wishes, which we committed to fund over the next few years.

In addition, following the success of A Disney Wish 2021 and 2022, a further year's funding was granted to recreate the experience in June 2023. Bringing 'Disney Magic' to a central UK location allows children, often too poorly to travel abroad, the opportunity to make precious memories with their families.

#### **Dreams Come True**

We provided a grant of £200,000 to further support this charity's work with seriously ill children and with a focus on the more deprived regions of the UK.

#### **Whizz-kidz**

After researching the importance of suitable mobility equipment from an early age, we provided a grant of £345,000 to Whizz-kidz to provide wheelchairs to children under 10 years old, and to launch a loan scheme which will see successive children benefit from a single piece of equipment.

#### **WheelPower**

We provided two grants totalling £39,496 to help fund the 2022 and 2023 'National Junior Games' sports event held at Stoke Mandeville Stadium. This annual, three-day event is open to all children with a disability. It aims to introduce the children to different sports whilst having fun and building confidence.

#### **SELFA**

We provided a grant of £26,000 to this charity to fund a weekly 'Rebound Therapy Club' for its first year. The club provides children with short one-to-one therapy sessions as part of a 'drop in' social club offering different activities each week.

### **Brian House Children's Hospice**

We continued to support our local children's hospice by funding three of their annual fundraising events. These events are popular in the local community, and we are proud to offer our support each year.

### **Malawi**

We have continued to work closely with **Operation Smile** towards our goal of Cleft Free Malawi, where children with cleft receive safe and effective surgery on a timely basis to enable them to lead full and happy lives. During the year we provided additional emergency funding of \$10,000 following the effects of Cyclone Freddie which seriously damaged the infrastructure in the region.

£20,000 was donated to **Malawi Burns (UK) Trust** to fund much needed improvements to the Burns Unit in the Queen Elizabeth Central Hospital, Blantyre.

### **Over The Wall**

We have continued to support this charity with both their virtual and residential camps, which are not only provided for children living with serious illness and disability but also their family members. Our support has allowed Over The Wall to restart residential camps following the pandemic whilst still providing a virtual experience for children too poorly to attend in person.

### **Kentown Support**

Kentown Support is a palliative care programme for children. It is a community focused model with three key complementary elements: Nursing Care, Social Care and Information and Awareness. The programme offers an integrated approach, bringing together expert nursing to children at home, respite and social care and wider support.

The pilot programme is now underway in Lancashire and South Cumbria (fully funded by our foundation). It will last for three years and will be evaluated independently by Edgehill University.

This is a collaborative programme between our foundation (as funders), **Together for Short Lives** and **Rainbow Trust Children's Charity**.

### **Website**

Earlier this year we launched our new website which celebrates the foundation's ongoing work to improve the lives of children with life threatening conditions and serious disabilities.

### **CEO Retirement**

Earlier this year our CEO, Margaret Ingram, announced her intention to retire in December 2023. Margaret was instrumental in setting up the foundation back in 2015 and we thank her for everything she has achieved over the last 8 years. The foundation would not be where it is today without her hard work and dedication.

### **Plans for future periods**

The foundation intends to continue seeking out charities to support and where appropriate form long term, progressive relationships.

## **The Kentown Wizard Foundation**

### **Report of the Trustees**

**For the year ended 31 March 2023**

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#### **Financial review**

During the period under review the charity received income totalling £834,538 (2022: £793,082). This income comprised dividends and interest in respect of the investment portfolio.

Expenditure on charitable activities amounted to £1,551,066 (2022: £5,744,108) in addition to expenditure on raising funds of £332,897 (2022: £376,789).

Net losses on investments over the year amounted to £3,337,523. This represents a loss of 3.9% on the value of investments held at the beginning of the year. This loss has been recovered subsequent to the year end, as market prices have improved.

#### **Reserves Policy**

Our investment policy aims to maintain, over the long term, the real value of the £55.8m endowed by our Founder in 2015. As a minimum, the Trustees aim to make grants which equal our income for each year. However, the overriding aim of our foundation is to give grants where they are most needed and if we identify an area of need where we can make a real difference, we will use our reserves in order to provide that support.

At the year end the charity was holding free reserves of £76.6m.

The Trustees acknowledge that year end reserves are somewhat higher than the original endowment. However, with ambitious projects in the pipeline and given the vagaries of global stock markets, we believe that this position is acceptable.

#### **Investment Policy**

The Trustees have appointed Barclays Bank plc and Castlefield Investment Partners LLP to manage the investment portfolio on a discretionary basis. The investment objective is to maintain the real value of the investments over the long term and to provide a return on investments in line with suitable benchmark performances.

#### **Fundraising standards information**

The foundation does not engage in fundraising activities.

#### **Trustees of the charity**

The Trustees who have served during the year and since the year end are as listed on page 3.

#### **Structure, governance and management**

The Kentown Wizard Foundation was established as a Charitable Incorporated Organisation on 23 September 2015 and is governed by its Constitution. If the CIO is wound up, the members of the CIO have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

The charity's Constitution provides for a minimum of 3 Trustees. There is no upper limit. Trustees are appointed by resolution and are not required to retire by rotation. In selecting individuals, the Trustees give due regard to the skills, knowledge and experience needed for the effective administration of the charity. New Trustees are provided with background information including the history of the charity, its objectives and activities, a copy of the Constitution, and financial reports. They are also briefed on their obligations under charity law. The Trustees give their time freely and no Trustee receives any remuneration or other benefit.

The Trustees are responsible for the overall management and strategic direction of the charity and meet on a quarterly basis. A Chief Executive is appointed by the Trustees to manage the day-to-day operations of the charity. Key management personnel are paid on merit, having due regard to their professional skills, competencies and experience.

The Trustees confirm that appropriate controls are in place to mitigate and manage the major risks faced by the charity.

## The Kentown Wizard Foundation

### Report of the Trustees

For the year ended 31 March 2023

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#### Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).


The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

This report was approved by the Trustees on 23/1/2024



Mr R G Ingle, Trustee

## Report of the Independent Auditors to the Trustees of

### The Kentown Wizard Foundation

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#### Opinion

We have audited the financial statements of The Kentown Wizard Foundation (the 'charity') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 charity's affairs as at 31 March 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity'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 trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.



## **Report of the Independent Auditors to the Members of**

### **The Kentown Wizard Foundation**

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#### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustee's report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material aspect with the trustees' report, or
- the charity has not kept adequate accounting records; or
- the charity's financial statements are not in agreement with the accounting records and returns; 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 7, the Trustees 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charity 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 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:

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Challenging assumptions and judgements made by management in their significant accounting estimates.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness; and
- Reviewing board minutes and resolutions

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

## Report of the Independent Auditors to the Members of

### The Kentown Wizard Foundation

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Use of our report**

This report is made solely to the charity'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 charity'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 charity and the charity's trustees as a body and for our audit work, for this report, or for the opinions we have formed.

*MHA Moore and Smalley*

**MHA Moore and Smalley**  
**Statutory Auditor**

Richard House  
Winckley Square  
Preston  
PR1 3HP

*25/1/2024*

MHA Moore and Smalley is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

# The Kentown Wizard Foundation

## Statement of Financial Activities

For the year ended 31 March 2023

		Unrestricted		Total funds	Total funds
	Note	Income	Capital	2023	2022
		£	£	£	£
<b>Income and endowments from:</b>					
Investments	2	834,538	-	834,538	793,082
<b>Total income and endowments</b>		<b>834,538</b>	<b>-</b>	<b>834,538</b>	<b>793,082</b>
<b>Expenditure on:</b>					
Raising funds	3	-	332,897	332,897	376,789
Charitable activities	4	1,551,066	-	1,551,066	5,744,108
<b>Total expenditure</b>		<b>1,551,066</b>	<b>332,897</b>	<b>1,883,963</b>	<b>6,120,897</b>
<b>Net outgoing resources before gains and transfers</b>					
Net gains/(losses) on investments	12	(716,528)	(332,897)	(1,049,425)	(5,327,815)
<b>Net income/(expenditure)</b>	<b>7</b>	<b>(716,528)</b>	<b>(3,670,419)</b>	<b>(4,386,947)</b>	<b>(36,835)</b>
<b>Transfers between funds</b>		<b>716,528</b>	<b>(716,528)</b>	<b>-</b>	<b>-</b>
<b>Other recognised gains/(losses):</b>					
Foreign exchange gains		-	6,178	6,178	1
<b>Net movement in funds</b>		<b>-</b>	<b>(4,380,769)</b>	<b>(4,380,769)</b>	<b>(36,834)</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		-	81,018,196	81,018,196	81,055,030
<b>Total funds carried forward</b>	<b>16</b>	<b>-</b>	<b>76,637,427</b>	<b>76,637,427</b>	<b>81,018,196</b>

All income and expenditure derive from continuing activities.

The notes on pages 15 to 28 form part of these financial statements.

# The Kentown Wizard Foundation

## Balance Sheet


As at 31 March 2023

	Note	Unrestricted Income £	Capital £	Total funds 2023 £	Total funds 2022 £
<b>Fixed assets</b>					
Tangible assets	11	1,442	-	1,442	659
Investments	12	4,155,746	76,729,695	80,885,441	87,804,667
		4,157,188	76,729,695	80,886,883	87,805,326
<b>Current assets</b>					
Debtors	13	118,676	-	118,676	87,009
Cash at bank and in hand		2,195,530	-	2,195,530	329,541
		2,314,206	-	2,314,206	416,550
<b>Creditors: amounts falling due within one year</b>	14	(3,778,254)	(92,268)	(3,870,522)	(3,391,481)
<b>Net current assets/(liabilities)</b>		(1,464,048)	(92,268)	(1,556,316)	(2,974,931)
<b>Total assets less current liabilities</b>		2,693,140	76,637,427	79,330,567	84,830,395
<b>Creditors: amounts falling due after more than one year</b>	15	(2,693,140)	-	(2,693,140)	(3,812,199)
<b>Net assets</b>		-	76,637,427	76,637,427	81,018,196
<b>Charity funds</b>					
Unrestricted capital funds	16	-	76,637,427	76,637,427	81,018,196
Unrestricted income funds	16	-	-	-	-
<b>Total charity funds</b>		-	76,637,427	76,637,427	81,018,196

An analysis of net assets as at 31 March 2022 is provided in note 17 to the accounts.

The financial statements were approved and authorised for issue by the Board on ... 23/1/2024 ...

Signed on behalf of the board of Trustees

  
Mr R G Ingle, Trustee

The notes on pages 15 to 28 form part of these financial statements.

# The Kentown Wizard Foundation

## Cash Flow Statement

For the year ended 31 March 2023

	Note	2023		2022	
		£	£	£	£
<b>Cash flow from operating activities</b>					
<b>Net cash used in operating activities</b>	A	(2,548,873)		(3,344,472)	
<b>Cash flows from investing activities:</b>					
Payments to acquire tangible fixed assets		(1,380)		(189)	
Payments to acquire investments		(15,089,254)		(20,526,815)	
Receipts from sales of investments		17,811,177		20,543,448	
Interest received		352,879		360,093	
Dividends received		481,659		432,989	
<b>Net cash provided by investing activities</b>		3,555,081		809,526	
<b>Net increase in cash and cash equivalents</b>		1,006,208		(2,534,946)	
<b>Cash/ cash equivalents at 1 April 2022</b>		1,839,363		4,374,309	
<b>Cash/ cash equivalents at 31 March 2023</b>	B	2,845,571		1,839,363	

The notes on pages 15 to 28 form part of these financial statements.

# The Kentown Wizard Foundation

## Notes to the Consolidated Cash Flow Statement

For the year ended 31 March 2023

### A Reconciliation of net income to net cash flow from operating activities

	2023	2022
	£	£
Net income/(expenditure) for the period	(4,380,768)	(36,834)
Dividends received	(481,659)	(432,989)
Interest receivable	(352,879)	(360,093)
Depreciation and impairment of tangible fixed assets	597	122
(Gains)/losses on disposal of tangible fixed assets	-	-
(Gains)/losses on investments	3,337,521	(5,290,980)
(Increase)/decrease in debtors	(31,667)	4,456
Increase/(decrease) in creditors	(640,018)	2,771,846
<b>Net cash used in operating activities</b>	<b>(2,548,873)</b>	<b>(3,344,472)</b>

### B Analysis of cash and cash equivalents

	2023	2022
	£	£
Cash at bank and in hand	2,195,530	329,541
Cash deposits held within the investment portfolio	650,041	1,509,822
<b>Net cash used in operating activities</b>	<b>2,845,571</b>	<b>1,839,363</b>

# **The Kentown Wizard Foundation**

## **Notes to the Financial Statements**

**For the year ended 31 March 2023**

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### **I Summary of significant accounting policies**

#### **General information and basis of preparation**

The Kentown Wizard Foundation is a Charitable Incorporated Organisation in England. The address of the registered office is given in the charity information on page 3 of these financial statements. The nature of the charity's operations and principal activities are detailed in the Trustees' report on page 4.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice.

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 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) issued in October 2019 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 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 £.

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.

#### **Funds**

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.

#### **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.

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.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

# **The Kentown Wizard Foundation**

## **Notes to the Financial Statements**

**For the year ended 31 March 2023**

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### **I Summary of significant accounting policies (continued)**

#### **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. It is categorised under the following headings:

- Costs of raising funds includes investment management costs incurred; and
- Expenditure on charitable activities includes grants awarded and associated costs of running 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.

#### **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. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 5.

#### **Tangible fixed assets**

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Fixtures and fittings	33.33% straight line
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#### **Investment properties**

Investment properties for which fair value can be measured reliably without undue cost or effort are measured at fair value at each reporting date with changes in fair value recognised in 'net gains/(losses) on investments' in the SoFA.

#### **Investments**

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains/(losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

#### **Debtors and creditors receivable/payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.



# **The Kentown Wizard Foundation**

## **Notes to the Financial Statements**

**For the year ended 31 March 2023**

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### **I Summary of significant accounting policies (continued)**

#### **Foreign currency**

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

#### **Employee benefits**

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.

#### **Pension Costs**

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the SoFA.

#### **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 meets the definition of a charitable company for UK corporation tax purposes.

#### **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 budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

#### **Judgements and key sources of estimation uncertainty**

There have been no significant judgements (apart from those involving estimates) made in the process of preparing the financial statements.

There have been no key assumptions made concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

# The Kentown Wizard Foundation

## Notes to the Financial Statements

For the year ended 31 March 2023

### 2 Income from investments

	Unrestricted		Total funds
	Income funds	Capital funds	2023
	£	£	£
Dividends	481,659	-	481,659
Interest receivable	352,879	-	352,879
	<b>834,538</b>	<b>-</b>	<b>834,538</b>

	Unrestricted		2022
	Income funds	Capital funds	
	£	£	£
Dividends	432,989	-	432,989
Interest receivable	360,093	-	360,093
	<b>793,082</b>	<b>-</b>	<b>793,082</b>

### 3 Investment management costs

	Unrestricted		Total funds
	Income funds	Capital funds	2023
	£	£	£
Investment manager fees	-	332,897	332,897
	<b>-</b>	<b>332,897</b>	<b>332,897</b>

	Unrestricted		2022
	Income funds	Capital funds	
	£	£	£
Investment manager fees	-	376,789	376,789
	<b>-</b>	<b>376,789</b>	<b>376,789</b>

# The Kentown Wizard Foundation

## Notes to the Financial Statements

For the year ended 31 March 2023

### 4 Analysis of expenditure on charitable activities

	Unrestricted		Total funds
	Income funds	Capital funds	2023
	£	£	£
Grants awarded (note 6)	1,396,648	-	1,396,648
Support costs (note 5)	149,110	-	149,110
Governance costs (note 5)	5,308	-	5,308
	<b>1,551,066</b>	<b>-</b>	<b>1,551,066</b>

	Unrestricted		2022
	Income funds	Capital funds	
	£	£	£
Grants awarded (note 6)	5,598,508	-	5,598,508
Support costs (note 5)	140,764	-	140,764
Governance costs (note 5)	4,836	-	4,836
	<b>5,744,108</b>	<b>-</b>	<b>5,744,108</b>

### 5 Allocation of governance and support costs

	Basis of allocation	Support costs	Governance costs	Total funds
		£	£	2023
				£
Rent	Support	7,188	-	7,188
Telephone	Support	436	-	436
Printing, stationery & postage	Support	49	-	49
Legal and professional	Support	6,340	-	6,340
Wages and salaries	Support	118,289	-	118,289
Insurance	Support	1,990	-	1,990
Travel expenses	Support	3,964	-	3,964
Computer expenses	Support	2,670	-	2,670
PR and social media	Support	7,475	-	7,475
Audit	Governance	-	5,308	5,308
Depreciation	Support	598	-	598
Sundry expenses	Support	111	-	111
		<b>149,110</b>	<b>5,308</b>	<b>154,418</b>

# The Kentown Wizard Foundation

## Notes to the Financial Statements

For the year ended 31 March 2023

### 5 Allocation of governance and support costs (continued)

	Basis of allocation	Support costs	Governance costs	Total costs 2022
		£	£	£
Rent	Support	6,231	-	6,231
Telephone	Support	437	-	437
Printing, stationery & postage	Support	359	-	359
Legal and professional	Support	10,754	-	10,754
Wages and salaries	Support	98,072	-	98,072
Insurance	Support	1,846	-	1,846
Travel expenses	Support	1,318	-	1,318
Computer expenses	Support	2,430	-	2,430
PR and social media	Support	19,032	-	19,032
Audit	Governance	-	4,836	4,836
Depreciation	Support	213	-	213
Sundry expenses	Support	72	-	72
		<b>140,764</b>	<b>4,836</b>	<b>145,600</b>

### 6 Analysis of grants

	2023	2022
	£	£
Balance payable brought forward	7,094,199	4,349,585
New grants awarded in the year	1,540,648	5,702,213
Grants written back in the year	(144,000)	(103,705)
Net grant cost in the year	<b>1,396,648</b>	<b>5,598,508</b>
	<b>8,490,847</b>	<b>9,948,093</b>
Grants paid in the year	<b>(2,020,207)</b>	<b>(2,853,894)</b>
<b>Balance payable carried forward</b>	<b>6,470,640</b>	<b>7,094,199</b>

During the year grants were made to 8 (2022: 13) charitable organisations as detailed on page 21.

# The Kentown Wizard Foundation

## Notes to the Financial Statements

For the year ended 31 March 2023

### 6 Analysis of grants (continued)

	2023 £
Brian House Children's Hospice	30,000
Make-A-Wish Foundation UK	872,000
Dreams Come True	200,000
Malawi Burns (UK) Trust	20,000
Whizz-kidz	345,000
Operation Smile	8,152
SELFA	26,000
Wheelpower	39,496
	<hr/>
	<b>1,540,648</b>
	<hr/>
	2022 £
Brian House Children's Hospice	30,000
Cerebral Palsy Scotland	49,484
Kids Cancer Charity	9,980
Make-A-Wish Foundation UK	755,000
Malawi Burns (UK) Trust	91,000
Over the Wall	980,000
Rainbow Trust Children's Charity	575,000
React	75,000
SELFA	13,437
Sight Support Derbyshire	8,107
The Chronicle Sunshine Fund	15,205
The Jessie May Trust	100,000
Together for Short Lives	3,000,000
	<hr/>
	<b>5,702,213</b>
	<hr/>

# The Kentown Wizard Foundation

## Notes to the Financial Statements

For the year ended 31 March 2023

### 7 Net income / (expenditure) for the period

Net income for the period is stated after (charging) / crediting:

	2023	2022
	£	£
Depreciation of tangible fixed assets	(597)	(122)
Profit / (loss) on fair value movement of investments	(3,337,522)	5,290,980
Net gain / (loss) on foreign exchange	6,178	1

### 8 Auditor's remuneration

The auditor's remuneration constituted an audit fee of £5,082 (2022: £4,620) for the year to 31 March 2023 (inclusive of VAT), and fees in respect of taxation and IT services provided of £226 (2022: £216) for the year to 31 March 2023 (inclusive of VAT).

### 9 Trustees' and key management personnel remuneration and expenses

The Trustees neither received nor waived any remuneration during the period.

The total amount of employee benefits received by key management personnel is £81,719 (2022: £91,637). The charity considers its key management personnel comprise the Chief Executive Officer and Chief Financial Officer.

The Trustees did not have any expenses reimbursed during the period.

### 10 Staff costs and employee benefits

The average monthly number of employees during the period was as follows:

	2023 Number	2022 Number
Average monthly number of employees	4	3

The total staff costs and employee benefits were as follows:

	2023 £	2022 £
Wages and salaries	109,312	90,356
Social security	5,698	4,916
Pension contributions	3,279	2,711
Other staff costs	0	89
	118,289	98,072

No employees received total employee benefits (excluding employer pension costs) of more than £60,000.

## The Kentown Wizard Foundation

### Notes to the Financial Statements

For the year ended 31 March 2023

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#### 11 Tangible fixed assets

	Fixtures & fittings £	Total £
<b>Cost:</b>		
<i>Brought forward at 1 April 2022</i>	2,378	2,378
Additions	1,380	1,380
Disposals	-	-
	<hr/>	<hr/>
<b>Carried forward at 31 March 2023</b>	<b>3,758</b>	<b>3,758</b>
	<hr/>	<hr/>
<b>Depreciation:</b>		
<i>Brought forward at 1 April 2022</i>	1,719	1,719
Charge for the year	597	597
Eliminated on disposal	-	-
	<hr/>	<hr/>
<b>Carried forward at 31 March 2023</b>	<b>2,316</b>	<b>2,316</b>
	<hr/>	<hr/>
<b>Net book value:</b>		
<b>At 31 March 2023</b>	<b>1,442</b>	<b>1,442</b>
	<hr/>	<hr/>
<i>At 31 March 2022</i>	659	659
	<hr/>	<hr/>

# The Kentown Wizard Foundation

## Notes to the Financial Statements

For the year ended 31 March 2023

### 12 Fixed asset investments

	Barclays 2023 £	Castlefield 2023 £	Total 2023 £	Total 2022 £
Brought forward at 1 April 2022	81,949,300	4,345,545	86,294,845	81,020,498
Additions to investments at cost	14,869,762	219,492	15,089,254	20,526,815
Disposals at carrying value	(17,521,417)	(289,760)	(17,811,177)	(20,543,448)
Net gain/(loss) on revaluation	(3,073,363)	(264,159)	(3,337,522)	5,290,980
<b>Market value as at 31 March 2023</b>	<b>76,224,282</b>	<b>4,011,118</b>	<b>80,235,400</b>	<b>86,294,845</b>
<b>Historical cost as at 31 March 2023</b>	<b>57,188,867</b>	<b>3,825,256</b>	<b>61,014,123</b>	<b>59,675,528</b>
Investments at market value comprised:				
UK listed investments	26,612,114	3,552,285	30,164,399	26,838,236
Non-UK listed investments	49,612,168	458,833	50,071,001	59,456,609
	76,224,282	4,011,118	80,235,400	86,294,845
Capital cash deposits	503,002	147,039	650,041	1,509,822
<b>Market value as at 31 March 2023</b>	<b>76,727,284</b>	<b>4,158,157</b>	<b>80,885,441</b>	<b>87,804,667</b>
Investments at fair value comprise:				
Equities	54,629,376	3,502,578	58,131,954	66,670,098
Securities	21,594,906	508,540	22,103,446	19,624,747
Cash within investment portfolio	503,002	147,039	650,041	1,509,822
	76,727,284	4,158,157	80,885,441	87,804,667



# The Kentown Wizard Foundation

## Notes to the Financial Statements

For the year ended 31 March 2023

### 13 Debtors

	2023	2022
	£	£
Prepayments and accrued income	118,676	87,009
	<b>118,676</b>	<b>87,009</b>

### 14 Creditors: amounts falling due within one year

	2023	2022
	£	£
Accruals for grants payable	3,777,500	3,282,000
Accruals and deferred income	93,022	109,481
	<b>3,870,522</b>	<b>3,391,481</b>

### 15 Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Accruals for grants payable	2,693,140	3,812,199
	<b>2,693,140</b>	<b>3,812,199</b>

## The Kentown Wizard Foundation

### Notes to the Financial Statements

For the year ended 31 March 2023

#### 16 Fund reconciliation

Year ended 31 March 2023

	<i>Funds brought forward at 1 April 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Gains / (losses) and transfers</i>	<i>Funds carried forward at 31 March 2023</i>
	£	£	£	£	£
<b>Unrestricted income funds</b>					
General unrestricted	-	834,538	(1,551,066)	716,528	-
<b>Total unrestricted income funds</b>	-	<b>834,538</b>	<b>(1,551,066)</b>	<b>716,528</b>	-
<b>Unrestricted capital funds</b>					
Investments	81,018,196	-	(332,897)	(4,047,872)	<b>76,637,427</b>
<b>Total unrestricted capital funds</b>	<b>81,018,196</b>	-	<b>(332,897)</b>	<b>(4,047,872)</b>	<b>76,637,427</b>
<b>Total funds</b>	<b>81,018,196</b>	<b>834,538</b>	<b>(1,883,963)</b>	<b>(3,331,344)</b>	<b>76,637,427</b>

#### Unrestricted income funds

Unrestricted funds comprise income generated by the investments held, the only stipulation being that it is spent in line with the objects of the charity. The income generated by investments is primarily spent on grants awarded. However it also covers the general administration and running costs of the charity.

#### Unrestricted capital funds

Assets were gifted to the charity in the accounting period to 31 March 2017 by its Founder. These were an investment property with a value of £2,000,000, an investment portfolio with a value of £42,804,612 and cash at bank of £11,035,191. The Trustees are permitted to use the original capital to fund grants awarded. During the year ended 31 March 2020 the investment property was sold.

# The Kentown Wizard Foundation

## Notes to the Financial Statements

For the year ended 31 March 2023

### 16 Fund reconciliation (continued)

Year ended 31 March 2022

	Funds brought forward at 1 April 2021 £	Income £	Expenditure £	Gains / (losses) and transfers £	Funds carried forward at 31 March 2022 £
<b>Unrestricted income funds</b>					
General unrestricted	-	793,082	(5,744,108)	4,951,026	-
<b>Total unrestricted income funds</b>	-	793,082	(5,744,108)	4,951,026	-
<b>Unrestricted capital funds</b>					
Investments	81,055,030	-	(376,789)	339,955	81,018,196
<b>Total unrestricted capital funds</b>	81,055,030	-	(376,789)	339,955	81,018,196
<b>Total funds</b>	81,055,030	793,082	(6,120,897)	5,290,981	81,018,196

### 17 Analysis of net assets between funds

Year ended 31 March 2022

	Unrestricted		Total funds
	Income funds £	Capital funds £	2022 £
Fixed assets	6,695,704	81,109,622	87,805,326
Cash and current investments	329,541	-	329,541
Current assets	87,009	-	87,009
Current liabilities	(3,300,055)	(91,426)	(3,391,481)
Non current liabilities	(3,812,199)	-	(3,812,199)
	-	81,018,196	81,018,196

## **The Kentown Wizard Foundation**

### **Notes to the Financial Statements**

**For the year ended 31 March 2023**

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#### **18 Related party transactions**

Deborah Bamber, the wife of David Bamber (a trustee), is an employee of the charity. During the period Deborah received remuneration (inclusive of employers NIC and pension contributions) totalling £12,345. David Bamber was not involved in trustee discussions regarding Deborah's contract of employment or salary and approval of the employment was also obtained from the Charity Commission.