

The Duncan Wordsworth Foundation

Charity Number: 1198126

Trustees' Report and Financial Statements

For the period ended 31st March 2023

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The Duncan Wordsworth Foundation

Reference and administrative details of the CIO, its Trustees and advisors For the period ended 31st March 2023

Trustees	H D Wordsworth J Wordsworth K J Wordsworth H E McBain Allan
Charity Registered Number	1198126
Principle Office	78 Tinwell Road Stamford PE9 2SD
Independent auditor	Streets Audit LLP Tower House Lucy Tower Street Lincoln LN1 1XW
Bankers	Cater Allen Private Bank 9 Nelson Street Bradford BD1 5AN
Solicitors	Mills and Reeve Solicitors 78-84 Colmore Row Birmingham B3 2AB

Trustees' report

For the period ended 31st March 2023

The Trustees present their annual report together with the audited financial statements of the CIO for the period ended 31 March 2023.

The Foundation was established as a Charity Incorporated Organisation (CIO) and registered with the Charity Commission on 3 March 2022.

The Foundation has broad aims focused on attempting to support students from deprived social backgrounds by offering bursaries for attainment in mainly STEM subjects. The purpose of these bursaries is to level the playing field for students who have the ability but perhaps do not have the financial means to go on to university.

Objectives and activities

The objects of the Duncan Wordsworth Foundation are to pay or apply capital and income to or towards or for the benefit or furtherance of such charitable purposes or charitable organisations (whether corporate or unincorporated) at such time, in such manner and in such proportions as the charity Trustees may from time to time determine.

The Foundation received an establishing donation during this period. The starting point for the Foundation was to support a single school, Ellis Guilford Secondary in Nottingham. Ellis Guilford is the Alma Mater of the Chairman of the Foundation who happened to be brought up in Nottingham. Ellis serves a poor community close to the centre of Nottingham and has recently come out of special measures (OFSTED). The Chairman of the Foundation who is also the main donor specifically wanted to begin the work of the Foundation by supporting the community that supported him when he was a child. Mr Wordsworth was lucky enough to gain an apprenticeship on leaving Ellis Guilford in 1947 and went on to be sponsored to go to University by Brush Electricals Ltd of Loughborough. In line with this objective of Ellis Guilford school has been approached and there has been a meeting with the headteacher Chris Keen and his senior leadership team who are very enthusiastic about working with the Foundation to enhance the life chances for some of their students. The start point for the discussion was an offer by the Foundation to give three Ellis students £7,000 (seven thousand pounds) per year for three years to help them through their university degree. Discussions with the school have centred around establishing how the students who are to benefit from the bursaries are to be selected, when the bursaries will be given, and the method of transferring the funds. It has been decided that to foster positive attitudes towards STEM subjects the Foundation will offer annual prizes to every year group for maths, biology, chemistry, and physics across the school. These prizes will increase in value from year seven to year 11. Unfortunately, the students leave the school after year eleven as the school has no sixth form. It was agreed that tracking the students after they have left the school to offer support as they enter their university courses may be a challenge.

Trustees' report (continued)

For the period ended 31st March 2023

It has therefore been agreed that financial awards of £600 will be offered for each year of the student's sixth form studies for those students selected to benefit ultimately from the university bursaries in order to maintain a relationship between the School and the students who have been selected. The first prizegiving was held at the school at the end of the summer term 2022.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public Benefit: running a charity (PB2)

Achievements and performance

During the period covered by these financial statements, the charity received donations totalling £2,335,000 from Duncan and Judith Wordsworth. These donations will be invested or awarded as grants or bursaries after the end of this financial period.

The charity's objective is to support three students a year through sixth form and university. In order to achieve this objective it will identify students with the support of the Ellis Guilford school and make disbursements to them throughout their sixth form and university education. Work on this objective has been ongoing throughout the founding year of the charity and the Trustees are satisfied the charity has all arrangements in place to start making disbursements in the next financial year as planned.

Financial Review

Going concern

After making appropriate enquiries, the Trustees are confident that the CIO has adequate resources to continue in operational existence for the foreseeable future. When reaching this conclusion, the Trustees have considered the impact of post balance sheet events on the charity's finances. On this basis, they have adopted the going concern basis for the preparation of these financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Reserves

The Foundation holds reserves of £2,335,272 at the end of the financial period. These reserves relate to the initial donations received by the Foundation, all of which are unrestricted funds.

The Charity's policy is to hold a minimum level of reserves of £260,000 to enable it to support students for the full five years it has committed to do so.

Trustees' report (continued)

For the period ended 31st March 2023

Risks

The trustees continually review the risks to which the Foundation is exposed. Appropriate systems and procedures have been established to manage or mitigate these risks

Plans for future periods

The Foundation is planning to continue to support Ellis Guildford Secondary in Nottingham through bursaries and prizes to students studying STEM subjects in line with it's stated objectives.

Structure, governance and management

Constitution

The Duncan Wordsworth Foundation is a registered charity, number 1198126 in England and Wales. The Foundation is established as a Charitable Incorporated Organisation (CIO) and therefore is governed by a Constitution, which sets out the Foundation's charitable objectives.

The Constitution requires that there must be at least three charity trustees. If the number falls below this minimum, the remaining trustees may act only to call a meeting of the charity trustees. In selecting individuals for appointment as charity trustees due regard will be had to the skills, knowledge and experience needed for the effective administration of the CIO. All appropriate training is offered according to the needs of trustees.

The Charity is run on a day to day basis by two of the trustees, Duncan and Judith Wordsworth.

Trustees' report (continued)

For the period ended 31st March 2023

Statement of Trustees' responsibilities

The Trustees 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).

The law applicable to charities in England & Wales and Scotland requires the Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the CIO and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- * make judgements and accounting estimates that are reasonable and prudent;
- * state whether applicable UK Accounting Standards (FRS 102) 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 CIO will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the CIO's transactions and disclose with reasonable accuracy at any time the financial position of the CIO and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provisions of the Trust deed. They are also responsible for safeguarding the assets of the CIO and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- * so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- * that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

The Duncan Wordsworth Foundation

Trustees' report (continued)
For the period ended 31st March 2023

Auditors

The auditors, Streets LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees

Approved by order of the members of the board of Trustees and signed on their behalf by

A handwritten signature in black ink, appearing to be 'H D Wordsworth', written in a cursive style.

H D Wordsworth

Trustee

Date: 14 June 2024

Independent Auditors' Report to the Members of The Duncan Wordsworth Foundation

Opinion

We have audited the financial statements of The Duncan Wordsworth Foundation (the 'charity') for the period ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

This has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 period 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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.

**Independent Auditors' Report to the Members of The Duncan Wordsworth Foundation
(continued)**

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 Auditors' Report thereon. The Trustees are responsible for the other information contained within the 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.

Matters on which we are required to report by exception

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

- the information given in the Trustees' Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the 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, the Trustees are responsible for the preparation of the financial statements which 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.

**Independent Auditors' Report to the Members of The Duncan Wordsworth Foundation
(continued)**

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 154 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the charity and sector in which it operates;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including SORP 2015 (FRS 102)
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.
- reviewed Trustee meeting minutes for evidence of appropriate decision-making and management controls.

**Independent Auditors' Report to the Members of The Duncan Wordsworth Foundation
(continued)**

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 Auditors' Report.

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 Auditors' 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 its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



Streets Audit LLP
Tower House
Lucy Tower Street
Lincoln
LN1 1XW

Date: 18 June 2024

Streets Audit LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

The Duncan Wordsworth Foundation
Charity Number: 1198126
Statement of financial activities
For the period ended 31 March 2023

	Note	Unrestricted funds 2023 £	Total funds 2023 £
Income from:			
Donations and legacies	3	2,335,000	2,335,000
Investments	4	272	272
Total income		<u>2,335,272</u>	<u>2,335,272</u>
Expenditure on:			
Other	5	3,000	3,000
Total expenditure		<u>3,000</u>	<u>3,000</u>
Net movement in funds		<u>2,332,272</u>	<u>2,332,272</u>
Reconciliation of funds:			
Net movement in funds		2,332,272	2,332,272
Total funds carried forwards		<u>2,332,272</u>	<u>2,332,272</u>

The notes on pages 15 to 18 form part of these financial statements

The Duncan Wordsworth Foundation
Charity Number: 1198126
Balance sheet
As at 31 March 2023

	Note	£	2023 £
Current Assets			
Cash at bank and in hand		<u>2,335,272</u>	
		2,335,272	
Liabilities			
Creditors: amounts falling due within one year	9	<u>3,000</u>	
Net current assets			2,332,272
Total net assets			<u><u>2,332,272</u></u>
The Funds of the Charity			
Unrestricted funds			2,332,272
Total charity funds			<u><u>2,332,272</u></u>

These financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



H D Wordsworth
Trustee

Date: 14 June 2024

The notes on pages 15 to 18 form part of these financial statements

The Duncan Wordsworth Foundation
Charity Number: 1198126
Statement of cash flows
For the period ended 31 March 2023

	Note	2023
		£
Cash flows from operating activities		
Net cash generated from operating activities		2,335,000
Cash flows from investment activities		
Net cash generated from investment activities		<u>272</u>
Change in cash and cash equivalents in the period		<u>2,335,272</u>
Cash and cash equivalents at the end of the period		<u>2,335,272</u>

The notes on pages 15 to 18 form part of these financial statements

1. General information

The Duncan Wordsworth Foundation is a Charitable Incorporated Organisation (CIO) registered with the Charity Commission in England and Wales. The registered number and address is given on the Reference and Administrative Details page. The activities of the Charity are set out in detail in the Trustees' report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102)- 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) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Duncan Wordsworth Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The functional currency of the accounts is GBP. Amounts in these financial statements are presented rounded to the nearest £1.

2.2 Reporting period

The financial statements are presented for a 13-month period, being from the date of registration of the CIO, 3 March 2022, to 31 March 2023

2.3 Going concern

The financial statements have been prepared on a going concern basis. The Foundation holds liquid funds sufficient to support its cash flow requirements over the foreseeable future under all anticipated scenarios. Therefore, the trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern.

2.4 Income

All income is recognised once the CIO has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably

Donations have been recognised in the period that they have been received

2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the CIO's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.6 Taxation

The CIO is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the CIO is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.7 Cash at bank and in hand

Cash at bank and in hand includes cash only

2.8 Creditors

Trade creditors are recognised at settlement amount after any trade discounts (provided normal credit terms apply).

2.9 Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

2.10 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the CIO and which have not been designated for other purposes

3. Income from donations and legacies

	Unrestricted Funds 2023 £	Total funds 2023 £
Donations	<u>2,335,000</u>	<u>2,335,000</u>
	<u>2,335,000</u>	<u>2,335,000</u>

4. Income from investments

	Unrestricted Funds 2023 £	Total funds 2023 £
Bank interest received	<u>272</u>	<u>272</u>
	<u>272</u>	<u>272</u>

5. Analysis of expenditure on charitable activities

Summary by fund type

Support costs	<u>3,000</u>	<u>3,000</u>
	<u>3,000</u>	<u>3,000</u>

6. Analysis of expenditure by activities

	Support costs 2023 £	Total funds 2023 £
Support costs	<u>3,000</u>	<u>3,000</u>
	<u>3,000</u>	<u>3,000</u>

Analysis of support costs

Governance costs	<u>3,000</u>
	<u>3,000</u>

7. Auditors remuneration

The auditors remuneration amounts to a fee of £3,000

8. Trustees remuneration and expenses

During the period, no Trustees received any remuneration or other benefits. During the period ended 31 March 2023, no Trustee expenses have been incurred

9. Creditors: Amounts falling due within one year

	2023
	£
Accruals	<u>3,000</u>
	<u>3,000</u>

10. Statement of funds

Statement of funds – current period			
	Income	Expenditure	Balance at
			31 Mar 23
Unrestricted funds			
General funds	<u>£2,335,272</u>	<u>£3,000</u>	<u>£2,332,272</u>

11. Reconciliation of net movement in funds to net cash flow from operating activities

	2023
	£
Net income for the period (as per Statement of Financial Activities)	2,332,272
Adjustments for:	
Increase in trade creditors	3,000
Net cash provided by operating activities	<u>2,335,272</u>

12. Related part transactions

The Duncan Wordsworth Foundation received donations totalling £2,335,000 from Duncan and Judith Wordsworth. There were no terms and conditions attached to these donations. There are no outstanding balances owed to or from related parties at the year end.

13. Non-adjusting event after the reporting period

Subsequent to this reporting period, the charity made an investment of £1,500,000 with the aim of generating an improved rate of return on these charity assets. The company in which the investment was made has since entered administration and as a result the trustees have significant doubt about the recoverability of the investment. The full extent of the loss is not yet known.