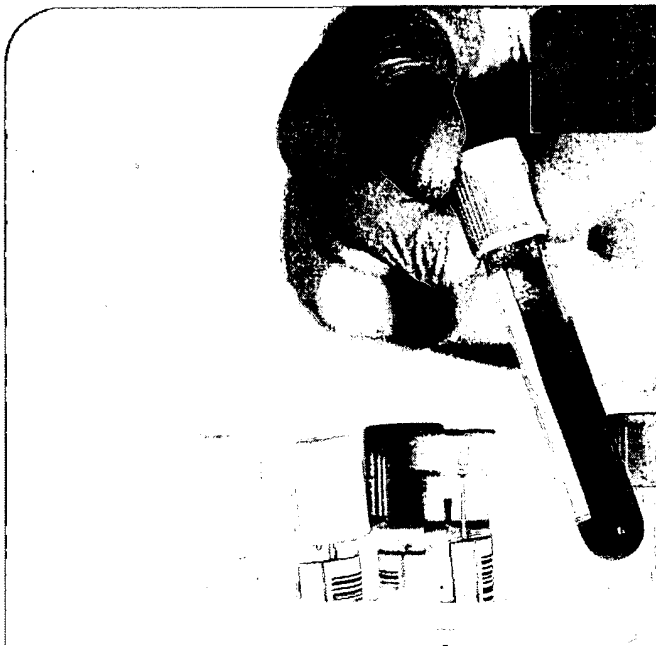
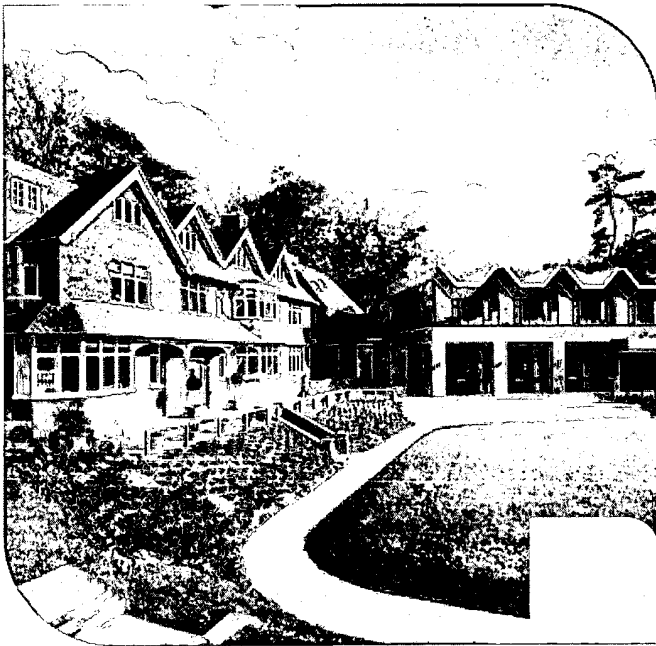
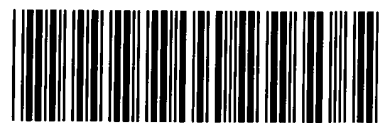


# Annual Report and Accounts

## 2021



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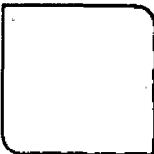
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COMPANIES HOUSE

**DELIVERING THE FUTURE NOW**



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■ INTRODUCTION

# Legal and Administrative Information

Name	David-Forbes Nixon Charitable Foundation (formerly DFN Charitable Foundation)
Trustees	Mr D Forbes-Nixon OBE (Executive Chair) Mr J Dickson Mr S N Konsta Mr E W Low Mr N O Stromsoy Mrs T L Scott (appointed 19 May 2021)
Charity number	1155919
Company number	08906571
Registered office	10 Norwich Street London EC4A 1BD
Independent auditor	Dixon Wilson Audit Services LLP 22 Chancery Lane London WC2A 1LS
Bankers	Barclays 1 Churchill Place Canary Wharf London E14 5HP
Solicitors	Macfarlanes LLP 20 Cursitor Street London EC4A 1LT
Accountants	Humphrey & Co 7-9 The Avenue Eastbourne East Sussex BN21 3YA
Business address	10 Norwich Street London EC4A 1BD

## A message from our Executive Chair and CEO



**David Forbes-Nixon OBE**  
Executive Chair

Despite the challenges of Covid-19, 2021 has been another strong year of progress across the four key priority areas of education, employment, healthcare, and conservation set by the Board of the David Forbes-Nixon Charitable Foundation (DFN Foundation) as detailed below:

- 1. Education:** To create a world class special needs school at Undershaw Education Trust (Undershaw, previously Stepping Stones School) and to promote the development of best practice in special needs education which will deliver great outcomes for young people with learning difficulties, disabilities and autism.
- 2. Employability:** To positively influence current practice so that young people with special educational needs and disabilities receive high quality work-related learning and improved access to long-term paid employment.

“

During the pandemic, we have glimpsed a kinder society that understands how much we are connected and how deeply we depend on each other.



3. **Healthcare:** To improve survival rates of Myeloma patients and advance cures through the strategic funding of high-quality research which will help patients to live longer lives.
4. **Conservation:** To ensure the survival of the British butterfly, with the long-term goal of focusing efforts on the re-introduction of some of the rarer species of British butterfly. The DFN Foundation was the co-sponsor of the 2021 Big Butterfly Count in July, the world's biggest survey of butterflies, with over 107,000 participants taking part and over 150,000 counts.

### Education and employability

Looking at the innovative work we support across education and employability, we know that being able to work is central to many aspects of life: survival, capacity to contribute and achieve, social connections and self-determination. Without our work, people with a learning disability, autism spectrum condition, or both, are far less likely to secure paid employment and therefore far more likely to live in poverty.

Employment is not only the means to economic self-sufficiency, it is also an important way for people with disabilities to contribute as fully participating members of their communities, building a network of social relationships and



The confidence and growth that comes from successful employment is tremendous, and the empowerment that comes with controlling your own resources is an important part of living a self-determined life. DFN Project SEARCH has continued to grow, both in terms of number of sites and host business relationships, as well as business advisory and partnership networks.

DFN Project SEARCH grew its central team significantly to demonstrate its unwavering commitment to ensuring high-quality transition to employment for all interns. This allowed the team to provide more support, training, coaching and resources when partners needed it most. During the most unsettling of times, we saw unfailing commitment from partners in business, education, supported employment and Local Authorities, all coming together to ensure that nothing compromised this life-changing experience for the DFN Project SEARCH interns.



Our work also supported the disability Commission of the Centre for Social Justice (CSJ), aiming to influence the government's National Disability Strategy and secure a step change in the opportunities available to disabled people, especially in employment so they can live their lives more fully and as they want to.

Its message is simple – 'Levelling up: time to get it done'. 50 business leaders signed an open letter to the Prime Minister urging him to deliver on his promise of a truly transformative National Strategy for Disabled People. In the letter – organised by the CSJ Disability Commission – the signatories said: "Disabled people have waited long enough; now is the time for action".



**Claire Cookson**  
Chief Executive Officer

“

Disabled people have waited long enough; now is the time for action.



## Healthcare

In terms of our support to find significant medical breakthroughs in the diagnosis and treatment of Myeloma cancer, the Covid-19 pandemic has shown us how highly valued our health is, and how closely it is linked to the functioning of society. Despite the Covid-19 pandemic causing disruption in many areas of healthcare, the OPTIMUM (MUKnine) trial that we fund continued as planned and the team have continued to work on making innovative molecular diagnostics more widely accessible for patients treated in the UK and elsewhere.

The team in fact started new research into the immunological impact of high-risk myeloma by investigating immune profiles of patients at trial entry and throughout therapy by multi-parametric flow cytometry.

## Conservation

Much of our understanding about the ecological consequences of global climate change comes from studies of butterflies in Britain. Through the work that we support with Butterfly Conservation, valuable information on the fortunes of species is collected over many years which enables us to

understand the impacts of climate change. Such detailed long-term information is very rare globally, but Britain is unique in having data going back to the 1970s, and even earlier, when the footprint of human-caused climate change became increasingly evident.

Now is the time for us to act collectively to create an economy characterised by growth that is strong, stable, and broadly shared, one that measures its success by the degree to which individuals and families have a chance to lead a prosperous life. The world has undoubtedly been transformed by the Covid-19 pandemic, and while many of these changes have devastated society, many others have presented the impetus to a fresh and positive future we can aspire towards.

We would like to thank all our partners for their inspirational work and their continued determination to support those who need it most. A special thanks also goes to our committed trustees, patrons, and funders, without whom none of this would be possible.

**David Forbes-Nixon and Claire Cookson**




# What we do

## Delivering the future now


Our vision is to bring positive and lasting change, helping to unlock natural potential and build a more inclusive and environmentally conscious society.

### Education




We continue to promote the development of best practice in special needs education to deliver great outcomes for young people with learning difficulties, disabilities and autism.

### Employability




We are positively influencing current practice so that young people with special educational needs and disabilities receive high quality work-related training and improved access to long-term paid employment.

### Healthcare



We are committed to improving survival rates of Myeloma patients and advancing cures through the strategic funding of high-quality research.

### Conservation



We are working to ensure the survival of the British butterfly, with the long-term goal of focusing efforts on the re-introduction of some of the rarer species of British butterfly.

## Transforming outcomes

We are a commissioning charity committed to transforming life outcomes for people throughout the country.

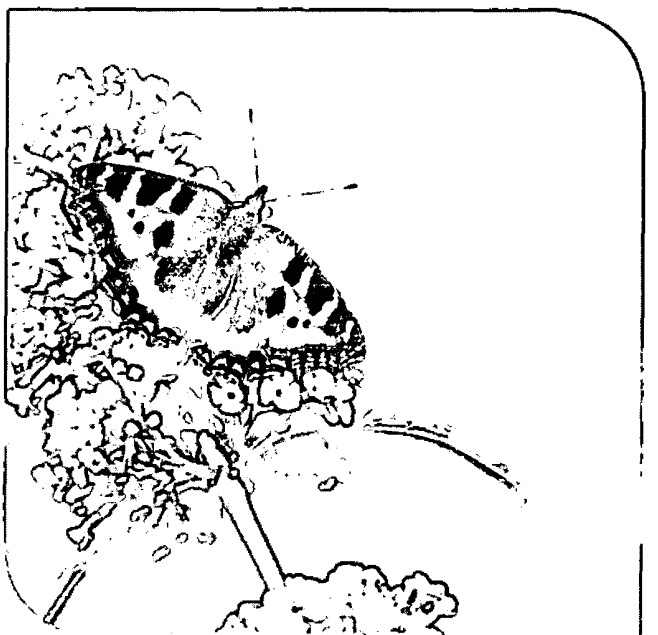
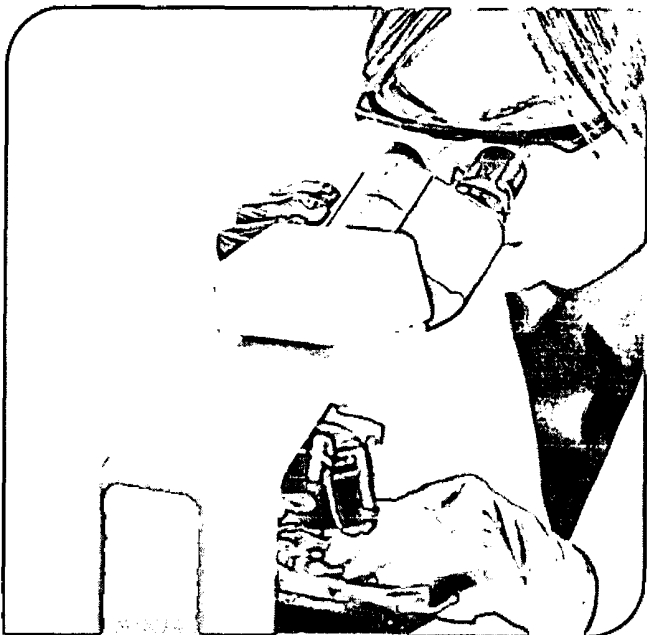
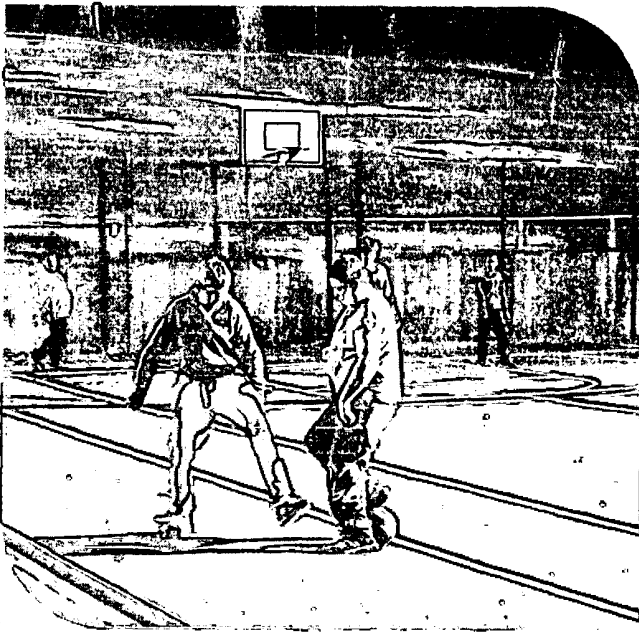
With the DFN Foundation's support, our delivery partners are able to influence sustainable change in special needs education, supported employment, healthcare and conservation. Our partnership model is business led and outcome driven.

This enables us to obtain transformational results with very clear deliverables, whether it is helping more young people with special needs through education and into full-time employment, advancing Myeloma research or supporting butterfly conservation.

In any case, we at the DFN Foundation are passionately committed to making our society a more environmentally conscious and inclusive place for all.



## Our Four Key Priority Areas



# ☐ Education



## Creating world-class special needs education

We have invested £7.5 million in establishing Undershaw, a special educational school in Hindhead, which is providing world-class special needs facilities and supporting pupils to reach their full potential in life. We are the commissioner of one of the UK's largest Social Impact Bonds and, together with ThinkForward, we have

created the DFN MoveForward programme. This is an innovative education-based employability skills strategy that supports students with special needs by providing individualised coaching, creating ready for work opportunities whilst promoting greater employer awareness and engagement.

## DFN MoveForward

In 2021, the DFN Foundation funding meant the DFN MoveForward programme worked with 189 young people with additional needs across London, Kent and the West Midlands. The programme provides coaching and employability activities to support young people to get ready for sustainable paid employment.

Young people like **Sadie, 17, from Bradfields**

**Academy in Kent:** Sadie said: "I love the MoveForward programme. I love how it opens doors to new opportunities, and how my coach will help me to overcome these things that I'm not confident in. My mum honestly loves it just as much as I do. She loves how much my confidence has grown, and she really liked the half term activities because it meant I was out the house, not on my own and had access to new environments." In addition to **486** one-to-one coaching sessions, **422** group work attendances and **622** employer event attendances, there were also **1,022** meaningful contacts with young people.

In early 2021, employer events continued to be delivered virtually. Examples included:

- Red Bull Racing - Q&A
- Microsoft - Digital Skills Training
- EY - Business Mentoring
- Citi – Personal Branding
- Proskauer – Business Mentoring
- Aspinall Foundation – Virtual Insight Day

Employer events are important because they provide meaningful experiences for young people to put on their CV and open up a range of different careers and sectors. One of the highlights in 2021 was a Virtual Business Mentoring programme at Bradfields Academy which involved 26 young people, six Credit Suisse mentors, eight ThinkForward colleagues and five school staff members. Following mentor training, the programme was delivered over three sessions, focusing on work readiness capabilities. All the young people who took part will receive an AQA Unit Award Scheme certificate to recognise their achievement.

Feedback from young people was collated using the online tool Mentimeter:

## What have I learnt?

Talk to new people

About Jobs

I have learnt about going for a  
Interview

What a skill is

How to get a job

That you have to be ready for an  
Interview and know your stuff about  
what your going to be doing for a while.

Always stay positive

Teamwork

I have learnt about different logos and  
learnt how to sell a pen.

Forward

Describing the benefit of the Business Mentoring programme from a Credit Suisse perspective, one mentor said: "I gained a deeper understanding of some of the issues affecting the young adults we were working with, challenging some preconceptions, making me think more, and I've taken this into my daily life."

An additional highlight in terms of virtual employer events was the Work Experience programme delivered in partnership with Multiplex, a global construction company. The programme was delivered over eight sessions and involved students from Undershaw in Surrey, Samuel Rhodes School in Islington, Woodlands School in Warwickshire, and Bradfields Academy. Young people learnt about architectural

design and the programme culminated in every young person creating and presenting their own house design.

This is an example of a young person's house design using Mindcraft:



Mentimeter feedback from young people included:

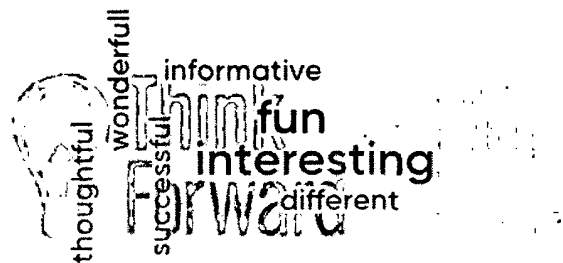
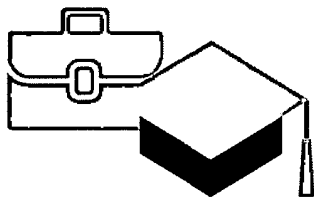
## What have you learnt?

I have learned how to plan effectively, the different roles in construction, all the small details

We have learnt how much work goes into designing and planning a house.

I have learnt to be more calm in different situations. I have learnt more about design and recycling

How would you describe this virtual Multiplex Work Experience in one word?

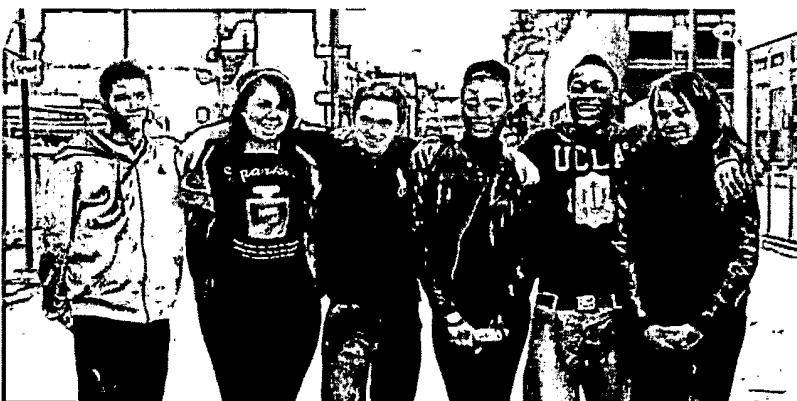


Describing what Multiplex enjoyed most about the programme, Wally Alvarez from the Social Value Team said: "Engaging with the SEND students as it was our first time doing it. We've learned a lot."

Wally went on to describe how Multiplex benefited from the programme: "We've broadened our horizons and expanded into new areas to promote more social value."

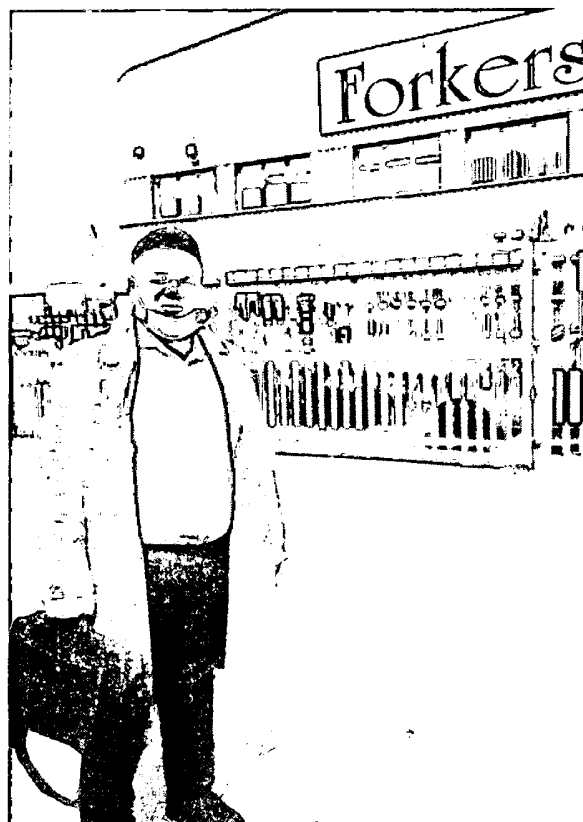
As Covid-19 restrictions eased in spring/summer 2021, DFN MoveForward was able to facilitate more employer events in person. Examples included:

- Kent Life – Group Work Experience
- Fenn Bell – Insight Day
- Hotel Melia – Insight Day
- Skanska – Insight Day
- RAF STEM Ambassadors – Business Mentoring



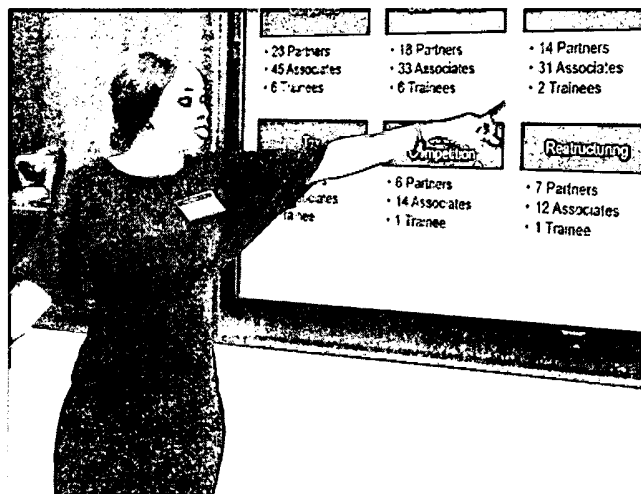
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**Michael**, 18, from Sandwell is an example of a young person who DFN MoveForward supported into a paid work experience opportunity at engineering company Forkers Ltd during the summer holidays. This opportunity followed Disability Awareness Training for Forkers' staff and an online Q&A session between young people, the Operational Director and the HR Manager.



Following Forkers' engagement with DFN MoveForward in 2021, Roisin Robotham from HR commented:

"The work MoveForward do is fantastic, to be supporting young people and going above and beyond to help them in any way to transition from school into employment, and to give them as many opportunities and experiences as possible to prepare them for employment"



Parents/ carers are key stakeholders in the DFN MoveForward eco-system and there were **624** meaningful engagements recorded in 2021.

When asked what they would say to a parent/ carer who is unsure whether their child should enrol on DFN MoveForward, one parent/ carer commented: "Give it a go. It teaches them about the adult world of work, whilst knowing there is someone to support and encourage them. It's all been positive."

Another said: "They will certainly be getting the best and safest advice they need to point them in the right direction and make the best decisions for their future."



In terms of job outcomes, 14 DFN MoveForward young people started a paid job of more than 16 hours a week in 2021.

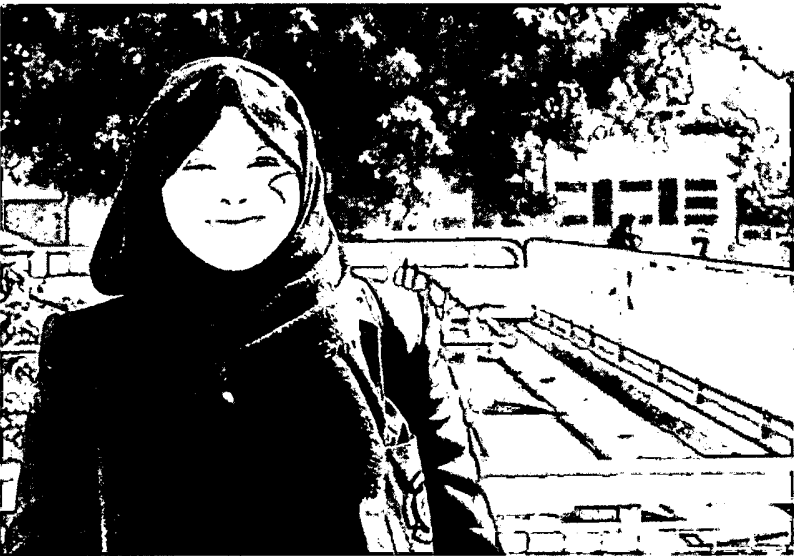
Thanks to the DFN Foundation funding, DFN MoveForward is now in its fifth year of operation. This provides coaches with the opportunity to facilitate engagement between graduated alumni and the current cohort. In 2021, Libby visited her old school, Bradfields Academy, and gave a series of inspiring presentations on her journey from education into employment.



Job Title	Employer
Apprentice Warehouse Operative	Stennah & Hope
Cleaner	Mitie
Grounds Maintenance	Ground Control
Vaccination Marshalls	Croydon Health Services NHS Trust
Retail Staff Member	Spa
Warehouse Operative	Kingdom
Warehouse Operative	Tufnells
Customer Service Assistant	Pret a Manger
Postal Apprentice	Royal Mail
Cleaner	Mitie
Domestic Assistant	Medirest
Domestic Assistant	Medirest
Domestic Assistant	Great Ormond Street Hospital
Stock Assistant	Marks & Spencer

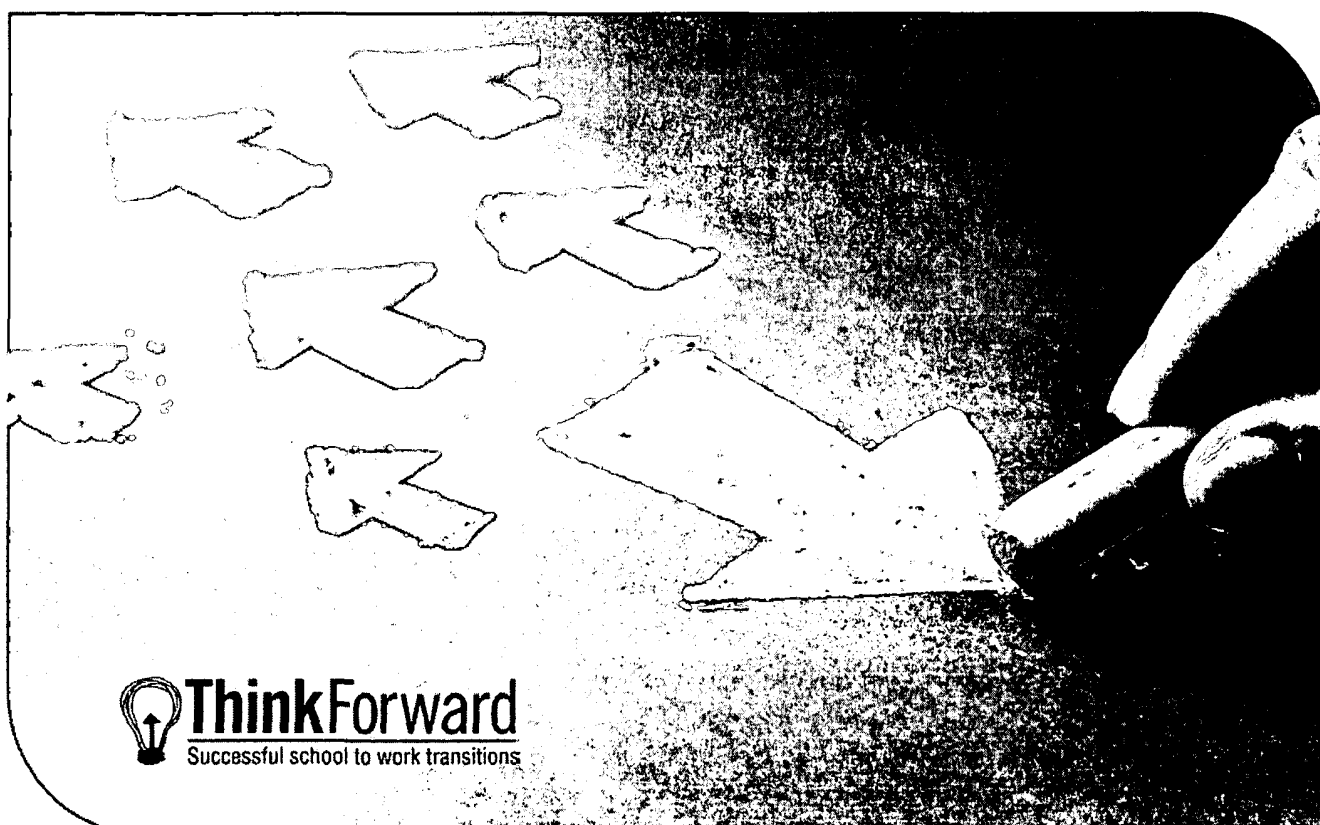
Reflecting on her experience on the DFN MoveForward programme, **Libby**, 21, commented:

"Before joining ThinkForward's MoveForward programme, I had no idea about what I would do when I left school. I had low expectations of myself and what I thought I was going to be able to achieve. I think that led me to be constantly seeing my coach because I was very aware that I didn't just want to do nothing. I really was eager to move forward, earn a living and be successful in something, because I had never felt that could be possible before joining MoveForward. The support from MoveForward really helped motivate and encourage me to pursue a career in teaching, which is something I always knew I wanted to do. MoveForward helped show me what the pathways were into my desired career. From becoming a teaching assistant and all these things that I didn't know about before, MoveForward equipped me with the knowledge of career pathways."



## DFN MoveForward programme sites

Organisation Name	County	Established
Samuel Rhodes School – Islington	London	2017
City & Islington College - London	London	2017
Bradfields Academy - Chatham	Kent	2017
MidKent College – Maidstone & Gillingham	Kent	2017
The Westminster School – Rowley Regis	West Midlands	2018
Welcombe Hills School – Stratford Upon Avon	West Midlands	2018
Woodlands School – Coleshill	West Midlands	2018
Undershaw School – Hindhead	Surrey	2019



## Undershaw



**Emma West**  
Head Teacher

**Undershaw takes its place as a Centre of Excellence for SEND Education, looking to the world of diversity and inclusion to create workplaces fit for the future.**

The DFN Foundation provides vital support for our work at Undershaw. Stepping Stones School relaunched under its new name in September 2021 and is continuing in its vision to be an inclusive school where the best interests of the child are at the heart of everything that we do. Undershaw empowers students to aspire and achieve. The school provides a caring and safe environment which allows students to thrive and flourish and prepares them to be socially and economically engaged in the future.

Undershaw has had a pivotal year with many highlights: our successful rebrand, the appointment of Emma West as Head Teacher, and an unprecedented number of enquiries from prospective families looking to secure a place at Undershaw for their child.

Our charitable foundations provide our buildings which house our community.

Our campus is vital as it provides a safe and happy place for our students to experience school life, some of whom struggle with separation from home and who look to our pastoral support assistants to provide them with one-to-one care and attention. It is crucial that our campus, along with our community, is a safe, secure, and happy place.

We have a visionary structure to our school day with longer lesson blocks and minimal transition. This has enabled teaching and learning to dovetail with our integrated therapy to immerse the students in their innovative educational journey. Discovery Days each Friday give our learners opportunities to find and fuel their passion, hone their expertise, and ultimately complete

**"The world is kind because  
I have now found a better school."  
- Current student**



their Undershaw Diploma. We can, once again, organise educational trips and this has breathed yet more life into our school.

The DFN Foundation also co-funds our Progression Coach and Employability & Life Skills Faculty Lead. The Employability & Life Skills faculty highlights Undershaw's commitment to offer a broad and dynamic destination led education. We have these skills threaded throughout our broad curriculum and have been awarded the accolade of the Skills Builder Silver Award.

All students are introduced to Skills Builder early in their tenure and all our learning is centred around teaching the principles of Listening, Speaking, Problem Solving, Creativity, Staying Positive, Aiming High, Leadership, and Teamwork.

We are proud to report that this year has seen Undershaw alumnus Charlie Forbes-

Nixon take his place on the DFN Project SEARCH Supported Internship Programme at Queen Mary University London (QMUL). Charlie was an Undershaw student for nine years and graduated in the summer of 2021. He worked tirelessly on his application, excelled at his interview, and secured a place QMUL. Our team of Speech and Language, Occupational Health, and Physiotherapists worked with our Employability & Life Skills team to ensure that we gave the right support whilst preparing Charlie for his next steps as an independent young adult.





"Life at Undershaw has moved at pace this academic year. We have seen new students join our community and immediately, with the help of their new peers, adopt the strong set of values we uphold here. Meanwhile our Transition Coach has been readying our Post 16 students for their next steps as they choose their independent paths beyond Undershaw. Our Governing Board has representatives from every walk of Undershaw life and is, as ever, our trusted friend. The Governing Board representatives from our charitable foundations equip us with sound strategic and financial oversight and continue to assist the school with both their time and acumen. It makes such a difference to our community to have such high calibre support."

**Emma West**, Head Teacher, Undershaw



**Leilah Sheridan**,

Progression Coach, Employability & Life Skills Faculty Lead,  
Undershaw

"At Undershaw we are committed to each individual student having the chance to prepare for transition with confidence and self-belief; building confidence makes aspiration feel possible."

“

“Post 16 gave Noah the chance to connect what occurs within the class with real world experience. The school provided Noah the support to develop his skills, feel safe to take risks that helped him to grow and mature into seeing himself as someone who could contribute to society and feel the pride that comes with that.”

**Catherine H,**

Undershaw Alumnus Parent



“

“I have helped my communication skills grow by ordering tickets and I have done some problem solving by working out the bus and train times. But I’ve also learned to stay positive because when coming back from Guildford, the train got delayed by 40 minutes! Overall, this is helping me become more of an independent traveller than I used to be.”

**Ryan,**

Current Undershaw Post 16 Student

## **CSJ Disability Commission**

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The DFN Foundation supported the launch of the CSJ Disability Commission, to secure a step change in the opportunities available to disabled people, especially in employment, to live their lives fully and as they want to.



Its message is simple –

**‘Levelling up: time to get it done’.**

The Commissioners were:

- Kevin, Lord Shinkwin, Commission Chair and member of the House of Lords
- David Forbes-Nixon OBE, Commission Deputy Chair and Executive Chair of the DFN Foundation and DFN Project SEARCH
- Dimple Agarwal, Deputy CEO, Managing Partner People & Purpose, Deloitte LLP
- Fleur Bothwick OBE, Director of Diversity & Inclusive Leadership, EY – EMEA (Europe, Middle East, India and Asia)
- Tiernan Brady, Global Director of Inclusion, Clifford Chance LLP
- Helen Cooke, Director, MyPlus Consulting
- Helen Dolphin MBE, Independent Mobility Consultant
- Baroness Tanni Grey Thompson DBE, DL, Olympian and member of the House of Lords
- Prof. Kim Hoque, Professor of Human Resource Management, Warwick Business School
- James Lee, City Bridge Trust
- Diane Lightfoot, Chief Executive Officer, Business Disability Forum
- Rt Hon Mark Harper MP, former Minister for Disabled People







2021 marked 26 years since the Disability Discrimination Act and 11 years since the Equality Act passed into law. Despite these legislative changes, progress towards greater equality between disabled and non-disabled people has been erratic and, in some areas, non-existent.

The Conservative Party made a manifesto commitment at the General Election<sup>1</sup> to develop a disability strategy which, in the words of the Prime Minister, needs to be the “most ambitious and transformative endeavour for disabled people in a generation.” In anticipation of the publication of the Strategy for Disabled People and to match the sentiment of the Prime Minister, the CSJ Disability Commission published a report **“Now Is The Time”**<sup>2</sup>, with equally ambitious and transformative recommendations across employment, education, housing, transport, and access to goods and services.

There are numerous benefits to removing barriers to employment. It would not only enhance disabled people’s social inclusion, wellbeing, and financial independence, but would also make complete sense economically. Despite this, the disability employment gap remains stubbornly high, with only 52% of disabled people (and only 5.1% of those with a learning disability) being in work compared with 81% of non-disabled people. On the basis of current trends (all else remaining equal) the Commission estimates it will take 40 years to close the gap. A holistic approach to tackling the barriers to independent living is crucial. The Commission’s recommendations therefore extend beyond employment to education, housing, transport, and access to goods and services.

This root and branch investigation into the employment and independence of disabled people explores the barriers they experience across the workplace, in education, housing, transport and goods and services. It is critical that any National Strategy connects and addresses each of these issues.

The evidence speaks for itself: The disability employment gap has moved 5% in seven years – the current employment rate gap between disabled and nondisabled people is 29.2%.<sup>3</sup> By age 26, disabled people are already four times more likely to be not in education, employment or training than non-disabled people.<sup>4</sup>

Working age adults with an unmet need for accessible housing are four times more likely to be unemployed or not seeking work due to sickness/ disability than disabled people without accessible housing needs or whose needs are met. Almost one in four working age households with an identified need for accessible housing report an unmet need.<sup>5</sup>

One third of disabled people have problems accessing public, commercial and leisure goods and services.<sup>6</sup>

One in fourteen disabled people have had to turn down a job in the past year because of inaccessible public transport.<sup>7</sup>

Every headline indicator – across employment, education, housing, transport, and goods and services – reveals significant inequality between disabled and non-disabled people, no matter the type of disability or health condition.



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<sup>1</sup> Conservative Party Manifesto 2019, page 17

<sup>2</sup> Now is the Time, CSJ Disability Commission

<sup>3</sup> ONS, Dataset A08: labour market status of disabled people

<sup>4</sup> Joseph Rowntree Foundation, 2005, The education and employment of disabled young people, page 41

<sup>5</sup> LSE, Papworth Trust & Habinteg, 2016, No Place like an accessible home

<sup>6</sup> Sample size: adults with impairments (2,710), adults without impairments (3,690). ONS (The National Archives), 2015, Life Opportunities Survey: Wave Three, Final Report, October 2012 to September 2014

<sup>7</sup> Savanta Comres, 2018, Leonard Cheshire Disability: survey of disabled adults transport section

## Key Recommendations from the report:

### Employment

1

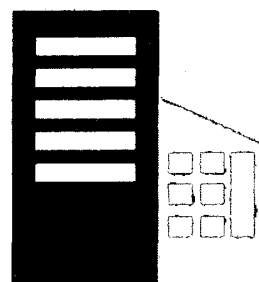
The Department for Education should formally commit to ensuring **all young people with EHC Plans are offered a fully funded supported internship.**

2

The Government should require **employers with 250+ employees to report the proportion of their workforce that is disabled and the pay gaps that exist between disabled and non-disabled employees.**

3

Employers' workforce disability metrics (the proportion of the workforce that is disabled) **should be taken into account in the contract award decision for all public sector contracts** (and not just central government contracts).



### Education

4

The Government should **strengthen the SEND training element within the Early Career Framework** for teachers by including:

- the offer of training based in Special Schools and alternative providers;
- training on the role and use of technology and SEND; and,
- accreditation for training routes which specialise in SEND provision.

5

The Department for Education should **produce an action plan to increase supported work experience opportunities offered to disabled pupils** in secondary schools. This plan should include a dedicated grant tailored to short-term and flexible work placements which supports education providers and employers to make placements accessible as standard.



### Housing

6

The Government should **raise the minimum accessibility standards for houses so that all homes built in the future are adaptable and/or accessible homes.**



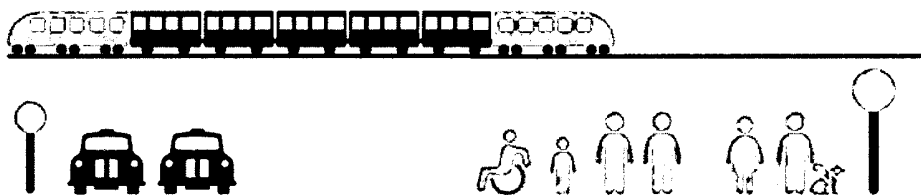


## Goods and Services

- 7 The Government should change licensing requirements so that **premises must be made accessible in accordance with the Equality Act 2010 before they can trade.**
- 8 The web accessibility regulations introduced for the public sector in 2018 to meet the international 'Web Content Accessibility Guidelines' **should be extended to private organisations.**

## Transport

- 9 The Government should ensure that all modes of transport have a **free-to-use ombudsman with the power to create binding decisions** in relation to Equality Act cases and provide compensation. There should be a single portal for disabled people to access the ombudsmen.



**Lord Shinkwin,**  
Chair of the Commission says,



“The Prime Minister’s strategy represents a once in a generation chance to chart a new way forward where disabled people’s potential to contribute, compete and, in some cases, excel and reach the top of their professions, on merit, can at last be realised. We have one shot at this - that’s why it’s so important his strategy gets it right. What makes this even more exciting is that big business is ready to get behind him”



**David Forbes-Nixon OBE,**  
Commission Deputy Chair says,

“

“Having a disabled son has opened up my eyes to the inequalities in education, employment and life chances for disabled people in the UK. I hope the Commission’s recommendations, particularly in employment, will be embraced by the Prime Minister in his National Strategy for Disabled People so we can draw on this extraordinary and untapped talent pool.”

“

**Baroness Tanni Grey-Thompson DBE, DL**  
Gold medal-winning former Paralympian  
and a Commissioner, says,



“Despite the very welcome improvements in legislation since the Disability Discrimination Act, the experience of the last 25 years shows that laws on their own aren’t enough. The political will to enforce them is crucial. Right now, disabled people feel that we’re going backwards. That’s why we really need the PM to keep his promise of a transformative strategy and drive change from the front.” Research and analysis for the Report has been led by the influential think tank, the Centre for Social Justice (CSJ).”

“

**Andy Cook,**  
Chief Executive of the CSJ, says,

“If we are to truly level-up, we need to be much bolder in our approach towards disabled people. Disabled people face too many unnecessary barriers in society. There is an opportunity now to empower disabled people into full and active participation within all aspects of society. I encourage the government to look closely at this report’s findings.”

# ☐ Employability



## **Aims of the DFN Foundation**

- Striving to provide innovative skills-based training that better prepares students with additional learning needs and disabilities for the workplace whilst opening the door to a wide variety of employment opportunities.
- Increasing convenient and quick access to internships and apprenticeships for young people with learning disabilities and autism, giving them a gateway into the workplace.
- Promoting greater employer engagement and eliminating the employment gap by positively influencing current practices to provide disabled youths with their full entitlement to effective employability training.

## **How the DFN Foundation plans to achieve its ambitions**

- Sharing evidence based research to influence best practices that helps young people with learning disabilities in paid employment to thrive and sustain their place in a professional environment.
- Engaging a partner organisation to develop and implement a proposal which will deliver innovative employability skills strategies that support students with special needs into work.
- Positively supporting and influencing central and local governments, including the Department for Education and the Department for Work and Pensions, employers and other voluntary organisations to target their efforts and resources to support programmes which meet our ambitions for change.



The DFN Foundation continues to support the growth and evolution of DFN Project SEARCH. We are delighted to share these key updates about pioneering work undertaken by DFN Project SEARCH.

## Our latest outcomes

Our interns secured **209 jobs** in the most challenging and critical moments of the pandemic! Thanks to the support from the Department for Education and the

Department for Work and Pensions, interns who could not complete all rotations were given the opportunity to re-join the programme in the following academic year.

## Our numbers\*

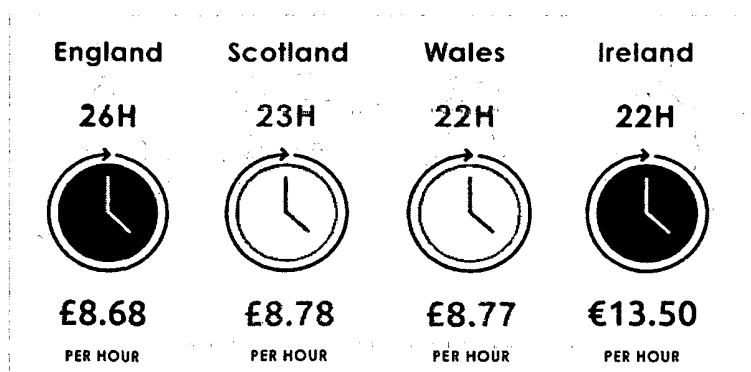
	2016/2017	2017/2018	2018/2019	2019/2020
Number of sites	39	46	56	64
Number of Interns enrolled	368	423	515	505**
Number of Interns completed	338	399	477	435
Full-time jobs	192	239	254	175
<b>Total jobs</b>	<b>227</b>	<b>272</b>	<b>295</b>	<b>209</b>

\* The data collection occurs nine months after the interns complete their programme. Our latest data come from the 2019/20 cohort and were collected in June 2021.

\*\* 89 interns not included here decided to join the next cohort due to Covid-19

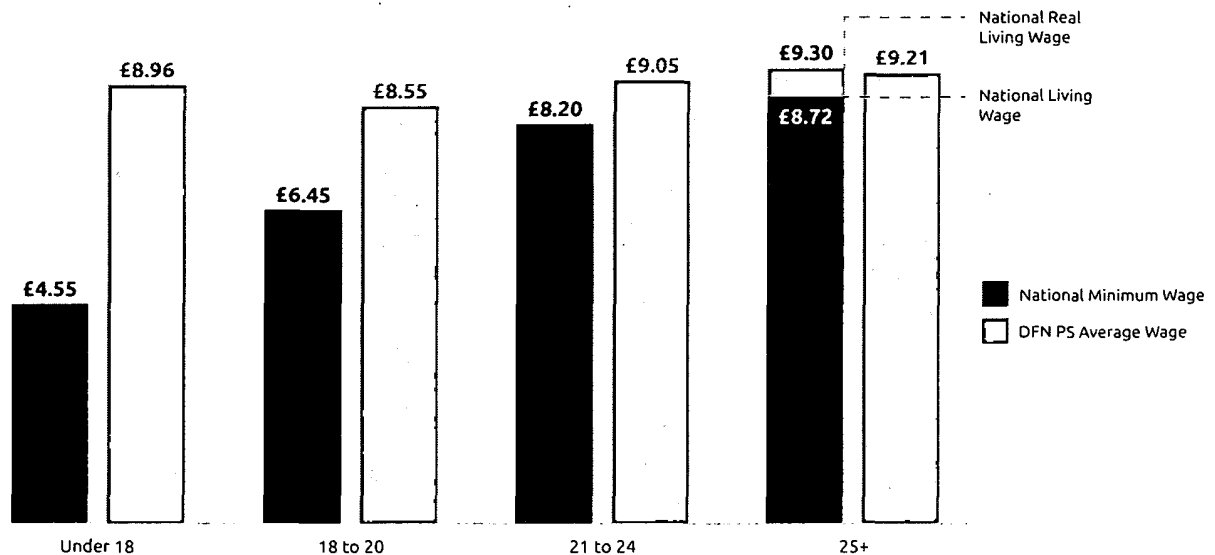
While interns in England tended to get contracts with longer hours per week, the numbers in other parts of the UK and in Ireland have been increasing.

### AVERAGE HOURS PER WEEK



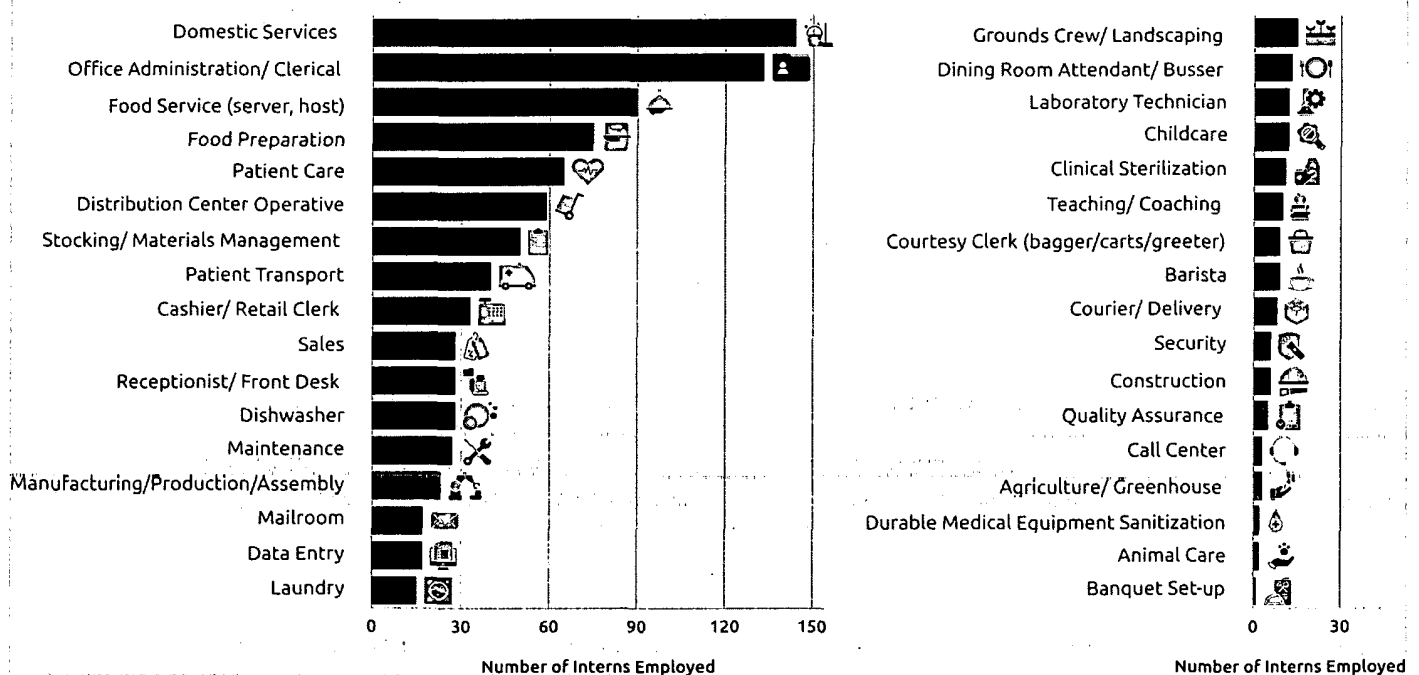


## National minimum wage from April 2020 to April 2021 and DFN Project SEARCH wages by age



Our interns work **25 hours per week on average**, significantly more than the government definition of 16 hours per week for a full time job. The average hourly wage was £8.73 which is above the National Living Wage for all age groups.

## Types of jobs in the past four cohorts



## DFN Project SEARCH's commitment

We remain fiercely committed to our critical success factors and believe that 100% of each class can achieve full time, non-seasonal, paid employment in an integrated workplace within nine months of graduation.

We only consider **employment** as a successful outcome because:



### Wellbeing

Paid work enables people to achieve financial, emotional and social independence.



### Financial savings

Thousands of pounds can be saved from taxpayers' money when people with a learning disability are working.



### Health

Employment is associated with better health.



### UK economy

A rise of 5% in the disability employment rate (not only those with learning disability) would lead to an increase in Gross Domestic Product of £23 billion by 2030.



**Sue Hannon,**  
Assistant Principal,  
Furness College

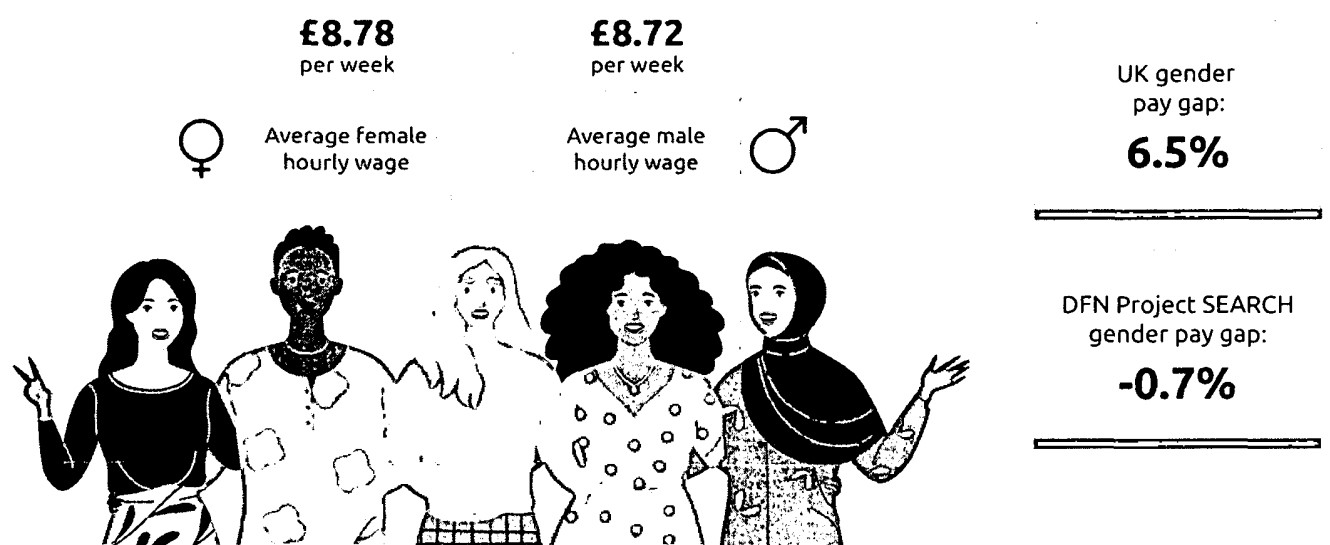
"I wanted to bring DFN Project SEARCH to Furness because I know that you are the best in this field and you share my passion for change, and I only want the very best for our students."



## Spotlight on women

We are delighted to share that our programme has achieved **gender pay parity**. The proportion of women enrolling in the programme is also higher than the proportion of those with an Education and

Health Care Plan (33% against 28%). We were also pleased to learn that sites are employing strategies to enrol more women and ensure families are fully aware of the key role they play in the success of interns.



We have identified, however, that women have slightly lower employment rates and work fewer hours per week on average. We are finishing a piece of research on that and our findings (which will be relevant for the

whole sector) will be published in late 2022. This will inform strategies to ensure women work the same number of hours and have the same employment rates.



**Tegan Mulby,**

DFN Project SEARCH Graduate and Youth Advisory Group member

"My experience at DFN Project SEARCH has been extraordinary as I got to meet so many people from different countries and cities. For example, the CEO of my host business, Helen, asked me if I could speak at a national webinar for housing associations and I spoke naturally about my daily life and work experience at Calico Enterprise. I was confident and answered lots of questions."

## Our contribution to Environmental, Social, and Governance (ESG)

There is a growing awareness of the impact companies have on society and the environment. Governments and companies need more than ever to demonstrate that they give more than they take, both at the societal and environmental levels. Companies are starting to realise that promoting social good is good for business.

A telling example are the Mars Chocolate UK adverts centred on disabled people. The series of adverts celebrating diversity and resilience is the firm's most successful advertising campaign in ten years<sup>1</sup>.

While ESG is not a new concept, it has become a top priority for many organisations. ESG investment is predicted to reach US\$1 trillion by 2030. While there is understandable scepticism considering the many unfilled "green" promises, there is also opportunity to make real, positive changes.

We at DFN Project SEARCH believe we can make a valuable contribution. Our employment oriented, business led programmes have been supporting hundreds of young people to achieve emotional, social and financial independence every year.

As a data driven organisation, we systematically collect our data and share it widely, unafraid of recognising areas for improvement. As our partners recognise, we can certainly help organisations to deliver positive social change.



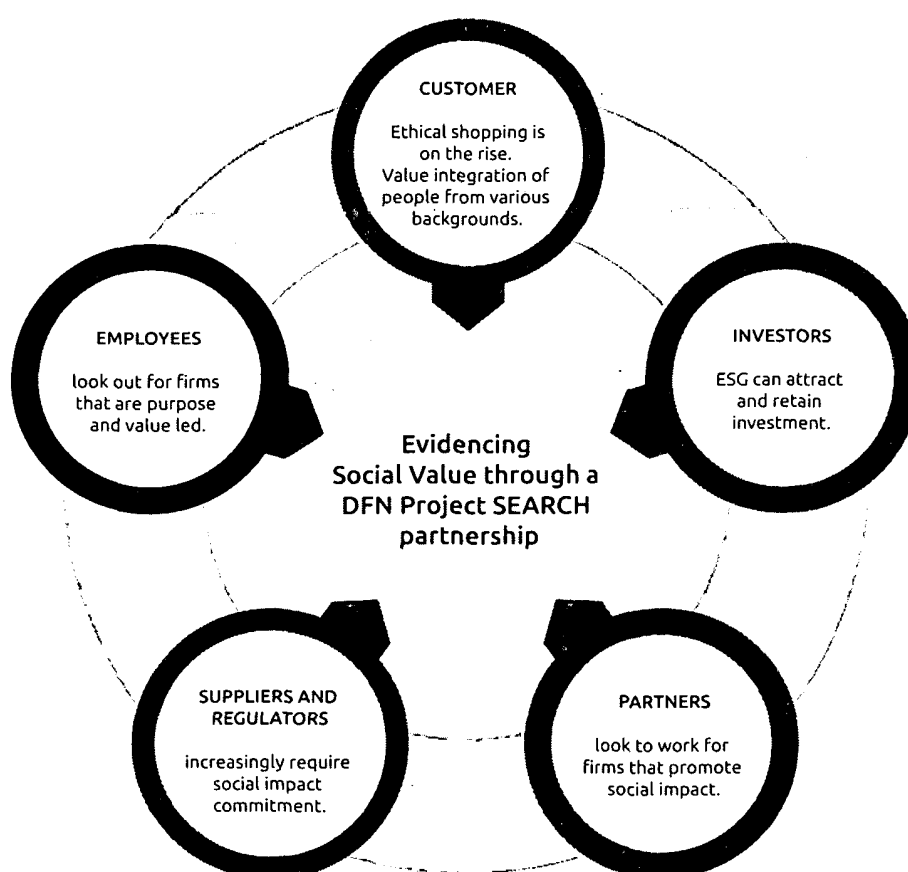
## Spotlight on business (ESG)

Businesses are a key part of our model. Internships take place in a business, are based on real life work experience, and, of course, our goal is to support interns to find employment in the host business or externally.

Our business partners and employers not only play a key role in creating life changing opportunities for young people with a learning disability, autism spectrum

condition, or both, but also benefit from a qualified, untapped workforce that stays longer in the job, performs their tasks as well as other staff and boosts the morale of teams<sup>2</sup>.

And that is not all. As summarised in the chart below, DFN Project SEARCH delivers a number of additional financial and reputational gains for partner organisations.

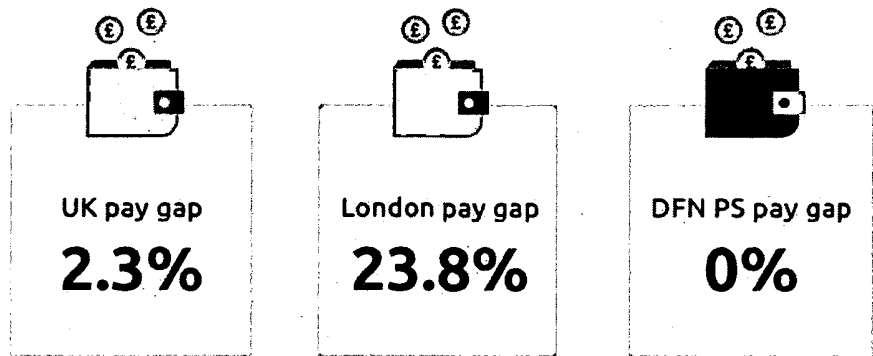


<sup>1</sup> <https://www.thedrum.com/news/2017/04/05/maltesers-ads-featuring-disabled-actors-prove-be-most-successful-advert-the-brand-10>

<sup>2</sup> <https://www.forbes.com/sites/forbesbusinesscouncil/2021/12/03/seven-reasons-why-hiring-people-with-disabilities-is-good-for-business/?sh=4ec44fc81832>

# Diversity and equity champions

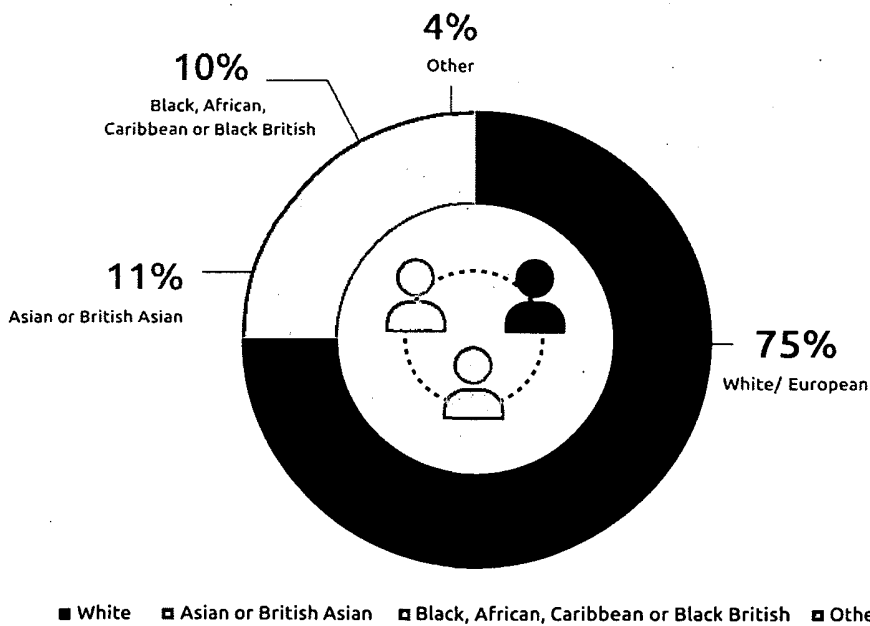
Year after year our interns have the same outcomes regardless of their ethnic background. Even during the pandemic that hit ethnic minorities harder, diversity and equitability continued to be a key part of our programmes.



Enrolment rates for all ethnic minorities were higher than the actual population proportion as Asian/ British Asian represent 7% of the UK population, Black, African, Caribbean or Black British represent 3% and other ethnic groups represent 3%.

Interns also had statistically the same employment outcomes and worked in similar roles and sectors, regardless of their ethnic backgrounds.

DFN Project SEARCH enrolment by ethnicity



66

"The ensuing pandemic has thrown a harsh light on the fact that certain communities find themselves at the sharper end of systems, with no safety net to fall back on. Indeed, for people with a learning disability and those racialised as Black or an ethnic minority, life both before and during the pandemic will have been particularly hard.



DFN Project SEARCH, however, is a beacon of hope for young people with a learning disability who are from a Black or ethnic minority backgrounds. I am particularly delighted to see the DFN Project SEARCH programme launch in Lambeth for the first time. For such an ethnically diverse borough, whose communities were hit hard by the pandemic, the programme is a lifeline providing disabled and young people from ethnic minorities with long-term stable employment and the opportunity to live happy, healthy and fulfilling lives."

**Yasmin Ibison**, Employment Programme and Partnerships  
Manager Black Thrive Lambeth



## Spotlight on the NHS



The NHS provides better care when the people employed in its services reflect the diversity of the communities that we serve. The NHS Long Term Plan recognises that the employment rates for people with a learning disability or autism spectrum condition or both have remained low for many years.

It commits to increasing the number of people with a learning disability and/ or autism employed in the NHS and to building workplaces where people feel confident in signalling their needs to leadership. One of the best ways of creating a sustainable pathway to work for people with a learning disability, and/ or autism is through the provision of high quality supported internship programmes leading to meaningful employment.

**NHS England and NHS Improvement and Health Education England have partnered, with support from NHS Employers, with DFN Project SEARCH in 2021 and 2022 to create 42 new DFN Project SEARCH programmes in Trusts across England.**

This partnership will create **long lasting change** for the young people who are on the programme, for their families, for their communities and for the Trusts which gain access to this largely untapped talent pool and create richer diversity in its workforce. NHS England and NHS Improvement is particularly proud of the achievements made during an exceptionally difficult two years, where we saw 69 interns secure essential, front line jobs supporting the NHS pandemic response.

We can build on this contribution further by adding these new programmes for young people to access.



**Dr Leander Neckles,**  
Patient Equalities Lead





## NHS data



55% of all interns from the 2019/20 cohort were in NHS sites.



69 Interns were employed by NHS in total.

83%



83% of those had full-time, integrated, non-seasonal jobs paid at the prevailing wage.

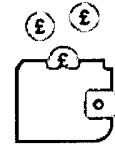
27H



Interns employed by the NHS worked on average 27 hours per week.

That is two hours more per week than the average of other employers.

£9.14



£9.14 was the average hourly wage even though most interns employed were not in London.

That is significantly more than what other employers paid on average (£8.21).



## Listening to our partners

This is the second year we reached out to our partners to find out their views about DFN Project SEARCH. We are thrilled to learn that **excellent** ratings increased for all

aspects: services, support from staff, added value, training, resources, networking and communication. Our partners rated us as world class and told us that:

### Our partners...

**97%**

agree that the programme is **high aiming**.

**94%**

agree that we are a **professional** and **respected** organisation.

**93%**

agree that we **achieve results**.

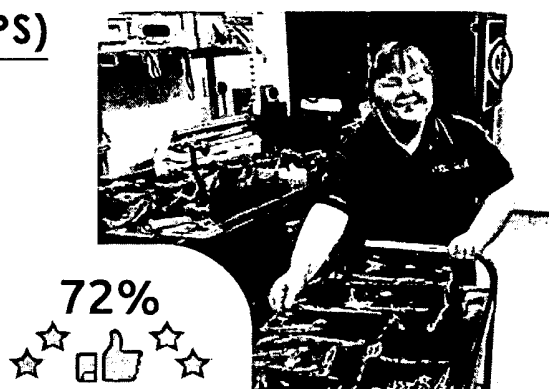
**83%**

agree that we are committed to **continued improvement**.

## A world class Net Promoter Score (NPS)

Our Bain & Co NPS score went from 66% (excellent) to 72% (world class!).

As a comparison, Apple has a NPS of 47, Nike 30, American Express 29 and Disney -7. The average score of more than 150,000 organizations is 32.



### **Our partners said that in the past year DFN Project SEARCH has...**

- Impressively responded to the pandemic
- Been in touch with the global employment market for people with learning and special needs
- Improved structure and liaison with partners
- Followed up on suggestions and provided updates
- Improved communication and dissemination of resources

## Our new digital offer: INSET days

In 2020 and 2021, we invested heavily in digitalising our offer and supporting stakeholders. This included setting up regular Communities of Practice through INSET days each term. This allows all partners the opportunity to access additional training, share their own best practice, and make connections right across the DFN Project SEARCH international community.



We had amazing feedback from our partners who attended the INSET days in September and December 2021. Overall satisfaction was incredibly high and was corroborated by positive comments.

Based on suggestions from participants, in 2022 we will cover: Access to Work funding, how to support families to support interns, safeguarding, and networking with people from other sites.

Was this INSET day well planned?



Was the content relevant to your role?



## Supporting our sector

During 2021 we were able to collaborate with Ofsted looking at how inspectors could assess the quality of outcomes for learners doing a supported internship.

We know that inspectors will evaluate learners' progress in relation to their starting points, based on their rate of learning, acquisition of knowledge, skills and behaviours, and whether they have achieved their individual, challenging targets.

They will also take account of data about the destinations learners go to when they leave the provider. Together we explored and celebrated the different data captures we use across the DFN Project SEARCH model to collect unique and compelling evidence of the acquisition of knowledge, skills for employment, and work ready behaviours for each intern.

This enables all partners to track this throughout the internship year, as well as collect and track the long-term designation data for each cohort. We were also able to provide useful advice around how this could inform the SEND Area Review Inspections, as well as what a high aiming employability curriculum could look like across all key stages.

**DFN Project SEARCH feels well equipped to support all partners to prepare for and provide evidence for an Ofsted inspection.**

We were delighted to support the Department for Education when writing the updated guidance document for Supported Internships. This will be published in 2022 and places a greater focus on the outcome of paid employment.



In March 2021 we saw the publication by the CSJ, "Now Is The Time", a ground-breaking report designed to feed into the Prime Minister's National Strategy. DFN Project SEARCH contributed to the chapters on Education and Employment, and our Executive Chair, David Forbes-Nixon was the Deputy Chair of the Commission.

The CSJ Disability Commission wants to reduce the disability employment gap by seeing the introduction of mandatory workforce reporting, which it believes is a vital step in bringing greater transparency and a level playing field for measuring progress made.

The five key recommendations set out by the Commission are:

- Increasing supported routes into employment
- Introducing mandatory employment and pay gap reporting
- Leveraging Government procurement
- Reforming the Government's Disability Confident scheme
- Reforming the Government's Access to Work scheme

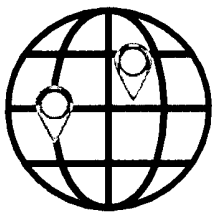
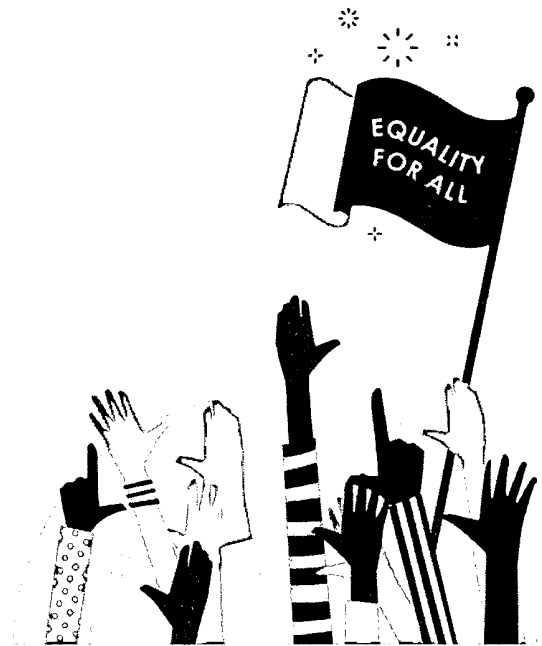
The Commission's report argued that a central feature of the Government's National Strategy for Disabled People must be the inclusion of robust measures focused on improving disabled people's employment prospects. It argues that until employment disadvantage is addressed, disabled people will continue to face social exclusion, financial hardship, and reduced well-being.



## International conference

Bringing people together in a pandemic was challenging for obvious reasons, but we were thrilled to be able to collaborate with our US peers and offer all DFN Project SEARCH sites a place at our three day International Conference.

Attended by over a 1,000 delegates from across the globe, professionals from education, local government, business, and supported employment had access to an array of conference sessions exploring new research and evidence based best practice in transition to employment provision.



## Guided by our interns and graduates

The DFN Project SEARCH Youth Advisory Group aims to give a voice to our interns and graduates and to give us unique feedback around various items. The group has recently been working on creating and delivering two different types of training for employers: one around inclusive recruitment and one for managers around how to provide meaningful ongoing support.

The recruitment process for the Youth Advisory Group saw interns right across the UK creating short videos explaining the difference that they wanted to make to the DFN Project SEARCH community, and

wider. We had an amazing response and were delighted to see the passion and drive of the young adults who applied. We look forward to co-producing the October 2022 DFN Project SEARCH conference with these special advisors.

Harry Georgiou joined DFN Project SEARCH in September 2021 as Youth Advisory and Co-Production Assistant and was proud to join a team that matched his beliefs and values. He has experience of standing up for equal opportunities for the disabled community and has used this experience to help set up the Youth Advisory Group at DFN Project SEARCH.

“

I have a lived experience of a learning and physical disability and I understand the barriers that the disabled community face. Having gone through a special school education and then a supported internship myself, I have a deep insight into what this community goes through every day. I have worked to break down the barriers that face disabled people since the age of 14, when I really developed my passion to make a difference in this space”.

**Harry Georgiou**, DFN Project SEARCH Youth Advisory and Co-Production Assistant

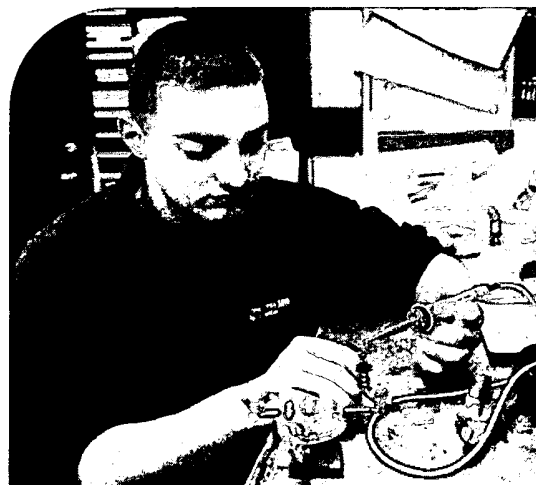


## What the future looks like

In 2020 we set the audacious goal of supporting 10,000 young people with a learning disability, autism spectrum condition, or both, into paid employment by 2030 and 20,000 by 2035.

Having done extensive research into areas of the country with an unmet need, we have focused our growth on four regions: London and South East, West Midlands, North West, and Scotland.

During 2021 the team worked on opening over 35 new sites for September 2022, which will involve up to 140 new partners and will offer over 1,000 interns the life changing opportunity of getting a job.





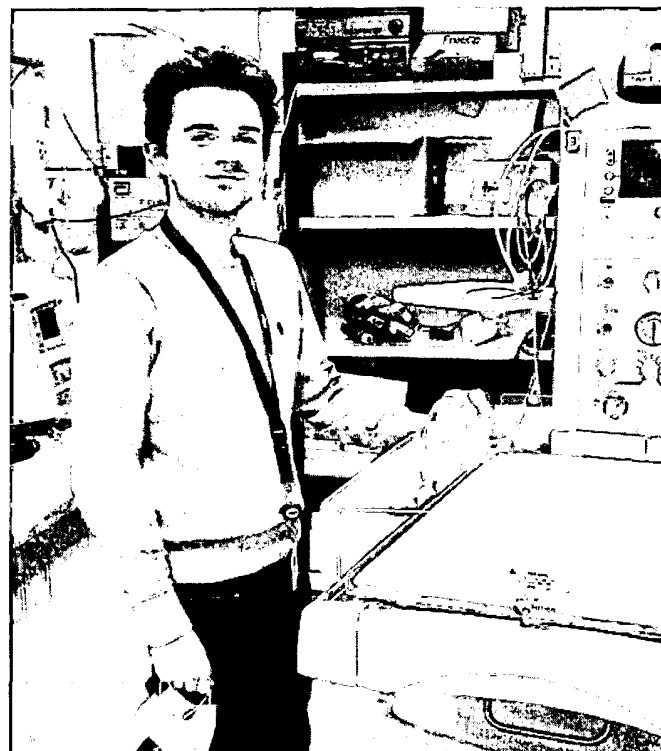
## New sites in a global pandemic

While about 60% of employers in the UK surveyed in a study during the pandemic cancelled some or all of their placements, DFN Project SEARCH opened 15 new sites in the height of the pandemic\*.

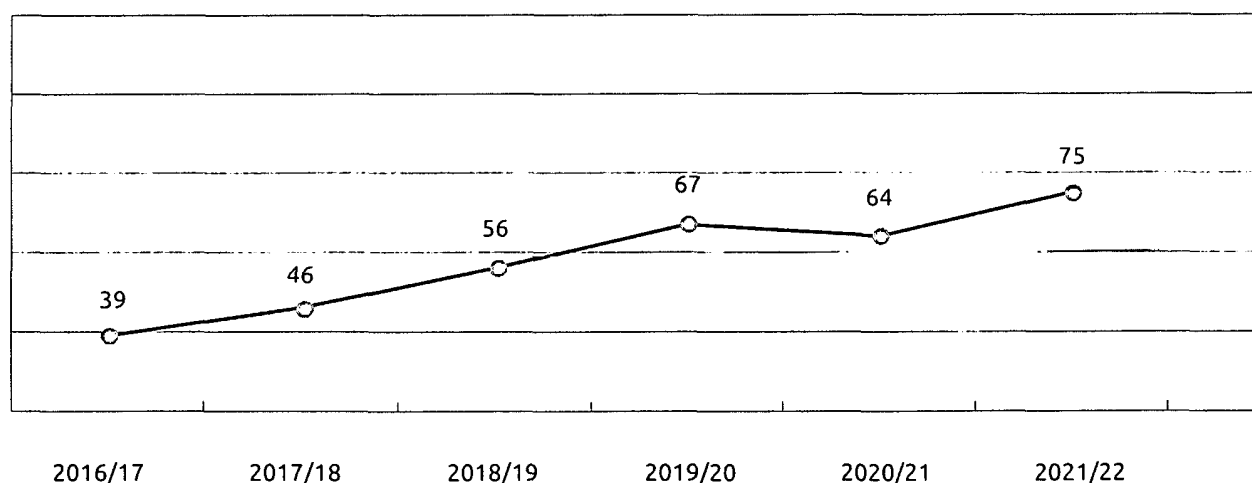
Even in the worst hit cohort so far (2019/20), **209 interns secured jobs**. Many of those were key workers who took frontline roles in sectors such as healthcare, retail, and logistics.

We have been growing on average 15% per year and expect to see nearly a 50% growth in 2022/23 in relation to 2021/22, despite the ongoing effects of the pandemic.

\* Some sites had to go on hiatus due to the pandemic



## Number of programmes



## ☐ Healthcare



## Funding innovative myeloma research

The DFN Foundation is proud to be supporting **Myeloma UK** and the **Institute of Cancer Research (ICR)** in London through the establishment of The Jacquelin Forbes-Nixon Fellowship.

The DFN Foundation is investing £1 million over a five to six-year period in support of Myeloma UK's broader research strategy and collaboration with the ICR.

“

"In 2021, myeloma patients and their families moved into a second year of uncertainty as a result of Covid-19. Myeloma UK recommitted our additional pandemic investment and went further than before to help patients to connect with the clinical and support services they badly needed.

At the same time, additional challenges were being felt at diagnosis stage due to the pressure on GP services. Myeloma patients already wait longer than most cancer patients before correct diagnosis. To help GP's identify myeloma and distinguish it from conditions with similar symptoms, we published a new guide, *Myeloma and MGUS – A Guide for GPs*, launching it to great reception across medical conferences and getting it straight into GP surgeries across the UK".

Myeloma UK continued to respond to every myeloma health technology

appraisal in 2021 and began the year finally seeing approval of lenalidomide maintenance post stem cell transplant as a treatment line.

"Our work in 2020, when we refused to take no for an answer and continued to push for this breakthrough moment in myeloma treatment, paid off for patients. And for hundreds of high-risk patients, the MUK nine trial results, funded by the Jacquelin-Forbes Nixon Fellowship and led by Dr Martin Kaiser, brought us a huge step closer to myeloma treatments being genuinely tailored to patients' needs. We are already beginning our work to ensure patients can access these transformational treatments as soon as possible.

This year, patients can directly see how the DFN Foundation's investment is driving a hopeful future for the myeloma community across the UK".

# Jacquelin Forbes-Nixon Fellowship

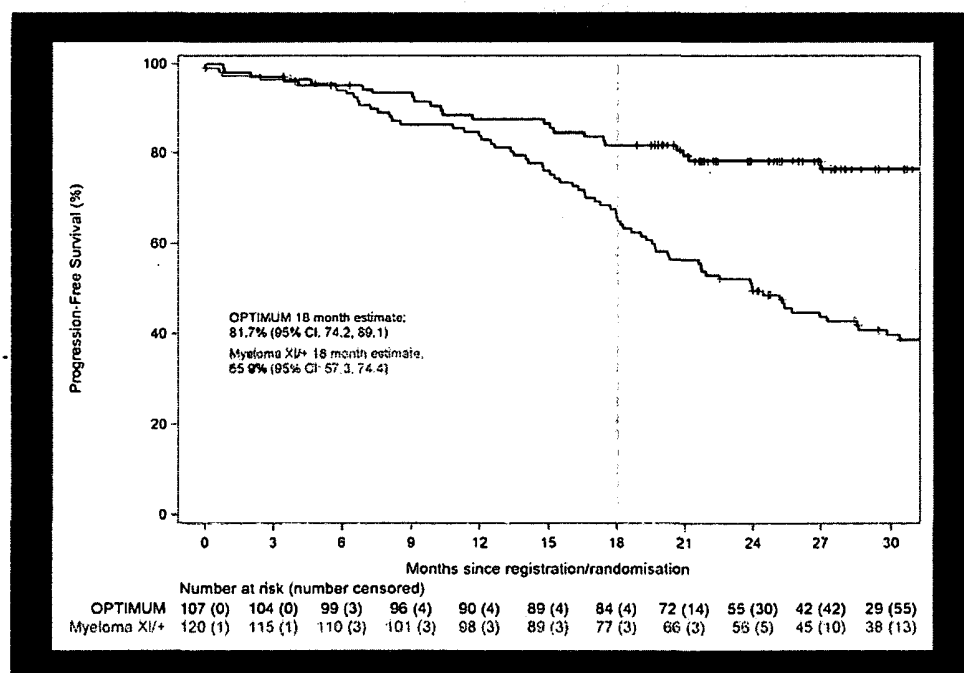
## What we have accomplished:

The Jacquelin-Forbes Nixon Fellowship is providing essential support for Dr Kaiser as Chief Investigator of the OPTIMUM (MUKnine) trial and his team's research on the molecular structure of high-risk myeloma. The following milestones were achieved in 2021:

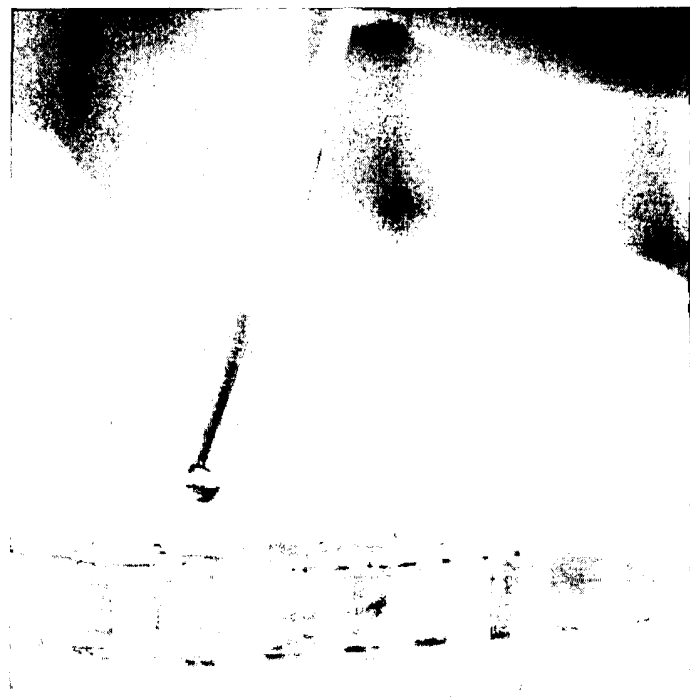


Dr Martin Kaiser

- The primary endpoint analysis of the OPTIMUM trial has been successfully completed: patients with high-risk myeloma treated with risk-adjusted, personalised therapy in OPTIMUM had a better outcome (progression-free survival) than patients treated conventionally.
- The figure below is showing the main finding of the primary endpoint analysis: the progression-free survival of high-risk patients in OPTIMUM (blue curve) has been uplifted through personalised therapy in comparison to that of patients treated with conventional, non-personalised therapy (grey curve) from the Myeloma XI/+ trial.



- This is the first time that a trial designed for high-risk myeloma patients has shown a comparative improvement in outcomes.
- Results of this analysis were selected for an oral presentation and shown at the prestigious Annual Meeting of the American Society of Hematology (ASH) 2022 in Atlanta, USA:
  - » <https://ash.confex.com/ash/2021/webprogram/Paper144990.html>
- These extremely positive results found wide attention in the myeloma patient and physician community, as evidenced by healthcare social media pickup:
  - » <https://www.youtube.com/watch?v=Hv3n-NGbsa0>
  - » <https://www.vjhemonc.com/video/6wfwchxc-ue-muk-nine-b-update-dara-cvrd-induction-plus-dara-vrd-consolidation-for-ultra-high-risk-ndmm-and-ppcl/>
  - » <https://bpno.fi/medtalks/clinical-results-from-the-uk-optimum-muknine-trial/>
- Results also found attention for a wider audience in an article by the Daily Mail Online:
  - » <https://www.dailymail.co.uk/health/article-10381737/New-five-drug-cocktail-treat-deadly-bone-marrow-cancer.html/>
- A scientific manuscript for publication is currently being submitted to a peer-reviewed scientific journal. Further analyses of patient trial outcomes are now mapped out for the next years and will provide further insights into improved care for high-risk myeloma patients.
- Based on the positive results, work with Myeloma UK and other partners is ongoing to translate findings into better access to diagnostics and treatment for patients in the UK and elsewhere.
- Established a new international collaboration into the genetics of high-risk myeloma which resulted in a peer-reviewed publication on one of the large meta-analyses in this field to date (Weinhold et al, Haematologica 2021).





The following **articles** on research into high-risk myeloma with support from the DFN Foundation were published in international, peer-reviewed scientific journals:

- Oliva S, Kaiser MF. Is it time to tailor treatment on the basis of minimal residual disease in multiple myeloma? *Lancet Haematol.* 2021 Dec;8(12):e876-e877.
- Weinhold N, Salwender HJ, Cairns DA, ..., Kaiser MF. Chromosome 1q21 abnormalities refine outcome prediction in patients with multiple myeloma - a meta-analysis of 2,596 trial patients. *Haematologica.* 2021 Oct 1;106(10):2754-2758.
- Brown S, Sherratt D, Hinsley S, ..., Kaiser M; Myeloma UK Early Phase Clinical Trial Network. MUKnine OPTIMUM protocol: a screening study to identify high-risk patients with multiple myeloma suitable for novel treatment approaches combined with a phase II study evaluating optimised combination of biological therapy in newly diagnosed high-risk multiple myeloma and plasma cell leukaemia. *BMJ Open.* 2021 Mar 24;11(3):e046225.
- Croft J, Ellis S, Sherborne AL, ..., Kaiser MF. Copy number evolution and its relationship with patient outcome-an analysis of 178 matched presentation-relapse tumor pairs from the Myeloma XI trial. *Leukemia.* 2021 Jul;35(7):2043-2053.

Collection of biomaterial from patients enrolled in the trial is ongoing.

In-depth analyses of molecular features of high-risk myeloma from OPTIMUM using state-of-the-art whole genome sequencing methodology have started and will be continued over the coming years.



# Conservation





## Let's save the British butterfly together

The DFN Foundation is committed to ensuring the survival and reintroduction of some of the rarer species of the British butterfly. For us, it's not just about saving a few species from going extinct but keeping the equilibrium of our ecosystem in place.

## Key aims of the DFN Foundation

01

To follow research providing targeted small-scale **financial support** to nature conservation groups within the South East.

02

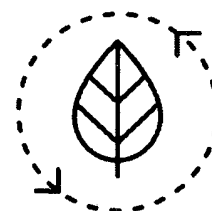
To consider the provision of targeted funding for **school resource materials** in support of conservation group work in schools.

03

To review the making of an annual grant to the new **Butterfly Conservation Charity** to help it establish its programmes.

## How the DFN Foundation plans to achieve its vision

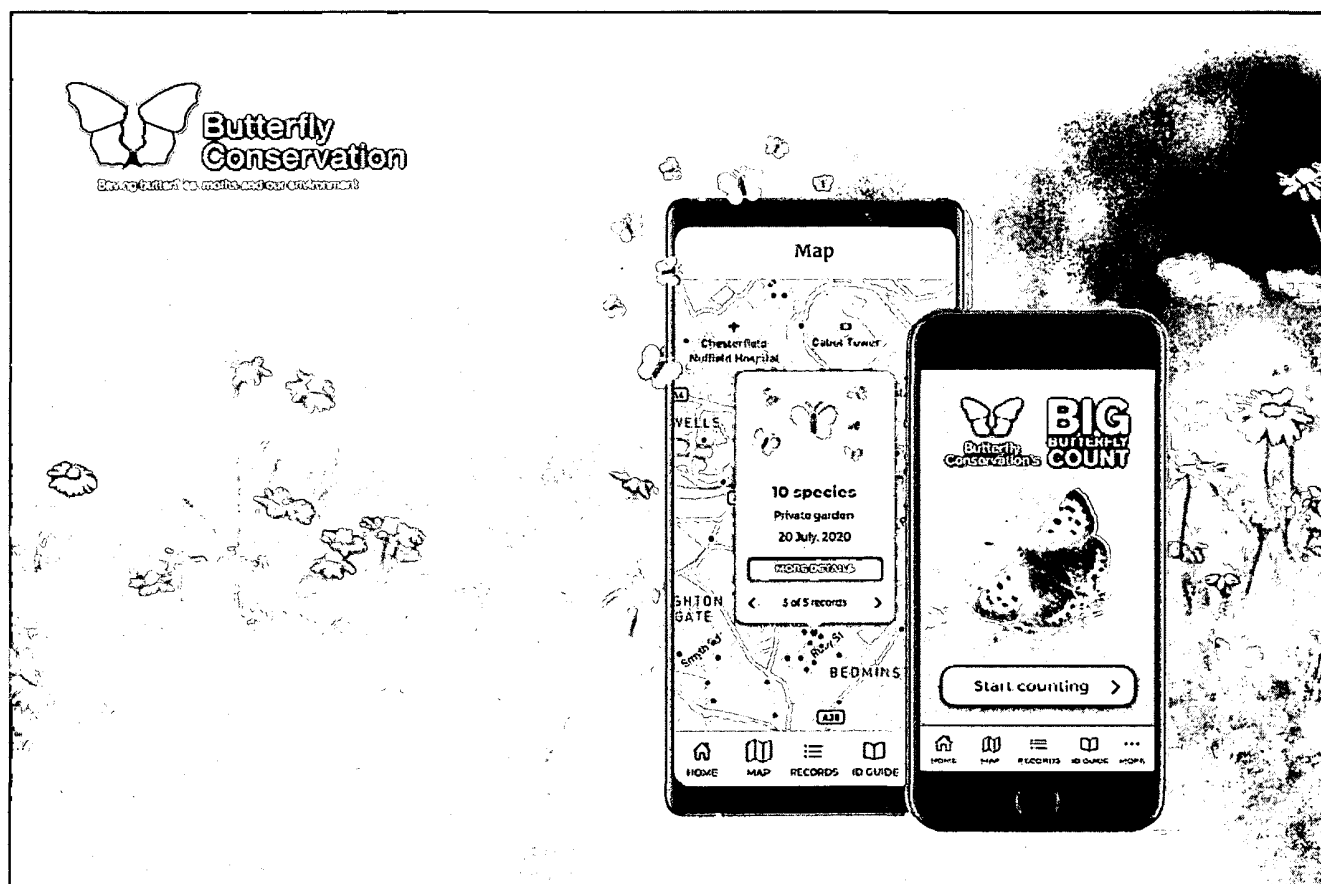
- Working with others to raise awareness of the need to secure butterfly habitat and why it would be helpful for our environment and ecosystem.
- Work with others to develop and implement a schools programme in order to raise awareness about British butterflies and the threats they face.
- Supporting the development of butterfly conservation special interest groups to reinforce and encourage a collective effort to save the species.
- Reinvigorate existing woodland and farmland through a variety of effective initiatives to halt the decline of some of our rarest species.
- Raising awareness and encouraging local communities in the affected areas to work with landowners to revive these areas and support butterfly habitat.





"The DFN Foundation has committed a total of £50,000 over three years to support Butterfly Conservation's (BC) annual Big Butterfly Count campaign in 2020, 2021 and 2022. This money enables BC to keep investing in the growth of the campaign and data collection across all our media channels and it is the single biggest opportunity for BC to recruit new supporters each year".

The Big Butterfly Count is the biggest citizen science programme of its kind in the world and forms a crucial part of Butterfly Conservation's data modelling each year. This, in turn, informs key conservation and policy decisions around biodiversity and species conservation/ rescue. At a time when nature is increasingly in crisis, the opportunity to engage with the public on such a large scale is invaluable in raising BC's profile and conservation message as well as increasing revenue through memberships.



## In 2021...



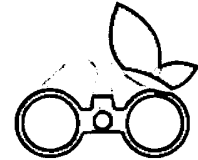
**152,029**

counts were submitted  
(the largest number of  
counts ever received).



**107,195**

citizen scientists took  
part across the UK.



**1,392,373**

butterflies were spotted.

The DFN Foundation's funding enables the campaign to grow year on year:

- Big Butterfly Count 2021 saw the number of species counts submitted exceed the previous year's total by 5%.
- The greatest daily count ever was on Saturday 17 July 2021 (the day after launch) when 13,808 counts were submitted.

Funding from the DFN Foundation enables us to maintain and keep the Big Butterfly Count website and app up to date and fully

functioning. By keeping the technology accessible the campaign is growing in impact.

- **Website:** a total of 81,754 (13,034 in 2020) people visited the Species ID chart pages on the Big Butterfly Count website in 2021. A total of 54,759 ID charts were downloaded.
- **App:** on the iOS app there were 113,000 (82,576 in 2020) lifetime installs. On the Android app there are 24,902 (16,533 in 2020) devices where the app is currently installed.



We also use the funding to support publicity about the campaign which was extremely successful in 2021.

## What did we learn from the Big Butterfly Count, 2021?



Small Tortoiseshell - Iain H Leach

Worryingly, the decline in the number of butterflies and moths across the UK is continuing, with the overall number of butterflies recorded per count at its lowest level since the Big Butterfly Count began 12 years ago.

The nation's love of butterflies isn't diminishing. Despite the low butterfly numbers, and relatively poor weather, more butterfly counts were submitted than ever before. Over 150,000 counts were registered, representing more than 38,000 hours of butterfly counting in gardens, parks, and the countryside.



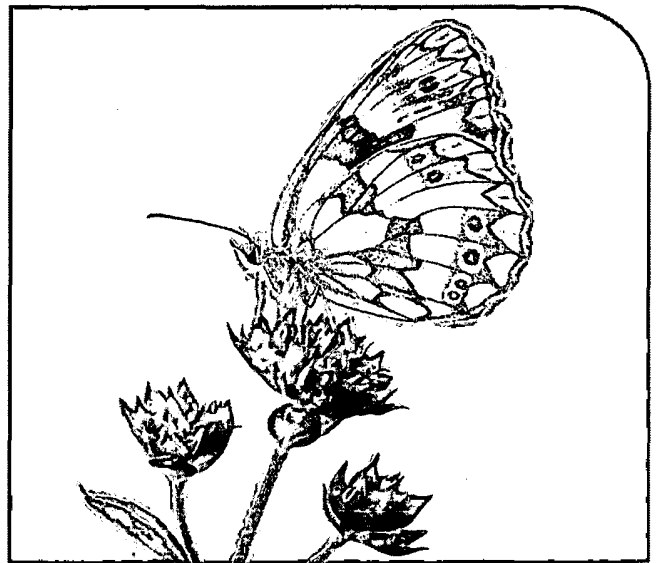
**Dr Zoë Randle**, Senior Surveys Officer at BC said: "This year's results show that the average number of butterflies and moths per count is the lowest we've recorded so far. On average people counted nine butterflies or moths per count, which is down from 11 in 2020, and down again from 16 in 2019. More counts are undertaken and submitted year on year, but it seems that there are fewer butterflies and moths around to be counted."



Some of the UK's most-loved species including the Small Tortoiseshell and Peacock butterflies dropped in numbers this summer. The iconic Peacock butterfly suffered its lowest numbers since 2012. The Small Tortoiseshell, once a frequent visitor to gardens in the UK, had its third worst summer in the history of the Big Butterfly Count, and shows a significant long-term decline in Britain.

It wasn't bad news for all species, with some, including the Marbled White and Ringlet, appearing to bounce back from their low numbers during last year's Big Butterfly Count. However, scientists at BC warn that last year's unusually sunny spring allowed them to emerge earlier, and that 2021's results are therefore more typical for these species.

This year's weather has had a significant impact on butterfly and moth species, and with more climate change related extreme weather events likely, the impact on some of the UK's most loved insects could be devastating.



Marbled White - Iain H Leach



**Dr Randle** explains: "Some of the UK's butterflies have more than one generation per year, meaning we would see adult butterflies in spring and summer. The majority of these double-brooded species experienced their worst year since the start of the Big Butterfly Count in 2010. Weather changes are likely to be the cause of this. March 2021 was warmer than average which would have stimulated butterfly activity. However, May was very wet which will have hampered butterfly feeding and breeding. These combined weather effects are likely to have reduced the spring generation which has knock-on effects for the second generation in the summer."

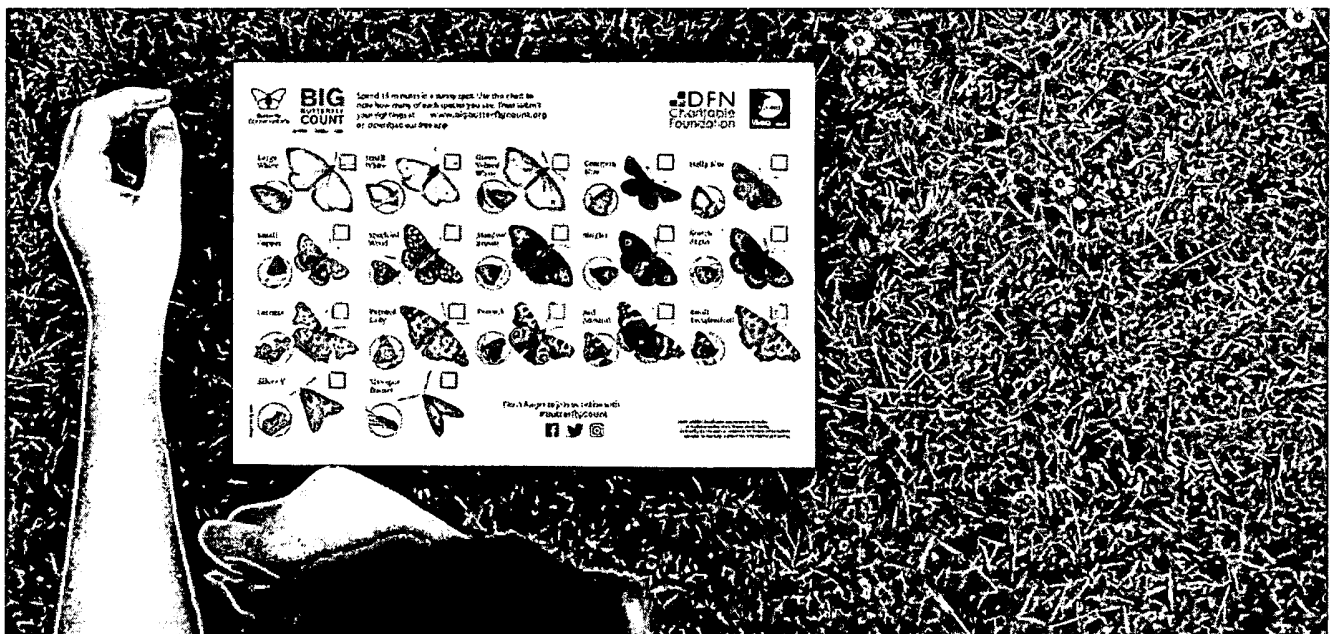
Butterflies and moths are important indicators of the health of the environment, and a decline in abundance is a serious cause for concern.

“

Butterfly Conservation (BC) has launched an ambitious strategy to help address the problems for butterflies and moths and be part of nature's recovery.

**Julie Williams**, CEO of BC, says: "The facts are clear. Nature is in crisis, and we need urgent action, not just to prevent further species losses but to rebuild biodiversity.

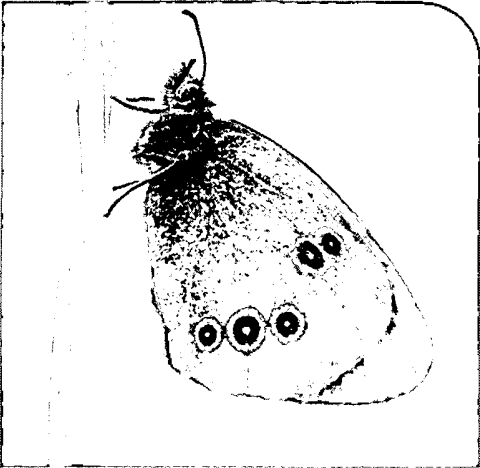
Since 1976, 76% of butterflies have declined in abundance or distribution, and the downward trend continues. We have come to accept that encounters with butterflies, moths and other wildlife are unusual, delightful but infrequent. It doesn't have to be this way and through our new strategy BC is pledging to halve the number of threatened butterfly and moth species in the UK, double our impact on landscape restoration, and galvanise thousands of people to create new wild spaces for nature. We can't do this alone though and are urging people to join us to create a world where butterflies and moths thrive and can be enjoyed by everyone, everywhere."



## Species results in the UK - Big Butterfly Count 2021 UK

	Big Butterfly Count 2021 UK	Abundance	Average per count	Percentage change from 2020
<b>1</b>	Small White	252,151	1.88	<b>-5%</b>
<b>2</b>	Large White	229,218	1.71	<b>-16%</b>
<b>3</b>	Meadow Brown	197,060	1.47	<b>33%</b>
<b>4</b>	Gatekeeper	133,726	0.99	<b>-30%</b>
<b>5</b>	Red Admiral	75,394	0.56	<b>-10%</b>
<b>6</b>	Ringlet	63,311	0.47	<b>81%</b>
<b>7</b>	Peacock	61,668	0.46	<b>-63%</b>
<b>8</b>	Small Tortoiseshell	38,543	0.29	<b>-32%</b>
<b>9</b>	Marbled White	28,704	0.21	<b>213%</b>
<b>10</b>	Green-veined White	27,784	0.21	<b>-9%</b>
<b>11</b>	Small Copper	22,897	0.17	<b>11%</b>
<b>12</b>	Comma	21,320	0.16	<b>-32%</b>
<b>13</b>	Speckled Wood	18,086	0.13	<b>-41%</b>
<b>14</b>	Six-spot Burnet	15,964	0.12	<b>42%</b>
<b>15</b>	Common Blue	14,376	0.11	<b>-59%</b>
<b>16</b>	Painted Lady	12,180	0.09	<b>44%</b>
<b>17</b>	Holly Blue	10,018	0.07	<b>-58%</b>
<b>18</b>	Brimstone	7,984	0.06	<b>-33%</b>
<b>19</b>	Silver Y	3,661	0.03	<b>53%</b>
<b>20</b>	Scotch Argus	2,326	0.02	n/a
<b>21</b>	Jersey Tiger	2,034	0.02	n/a
	<b>TOTAL</b>	<b>1,238,405</b>	<b>9.21</b>	<b>-14%</b>

BC has just unveiled an ambitious new strategy to combat the declines to butterfly and moth numbers that we’ve seen in the results of the Big Butterfly Count 2021. You can find out more about it [here](#).



Ringlet - Heath







# Trustees' Report on Financial and other Statutory Matters

For the year ended 31 December 2021

## ■ INTRODUCTION

# Trustees' Report on Financial and other Statutory Matters

The Trustees of the David Forbes-Nixon Charitable Foundation (the DFN Foundation or the Charity) are pleased to present their Annual Report and Financial Statements for the year ended 31 December 2021 which have been prepared to meet the requirements for a Directors' Report and Accounts for Companies Act Purposes.

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

The DFN Foundation is a registered charity (number 1155919) and a company limited by guarantee (number 08906571) and was incorporated on 21 February 2014.

On 1 March 2022 the name of the Charity was changed from the DFN Charitable Foundation to the David Forbes-Nixon Charitable Foundation.

## Charitable objectives

### 01

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The DFN Foundation's governing document defines the objectives as all purposes that are exclusively charitable under the law of England and Wales.

### 02

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The Trustees have directed the DFN Foundation to focus on four key purposes of education, employability, healthcare and conservation.

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## Achievements and performance

**David Forbes-Nixon and the Board have set four goals for the DFN Foundation to achieve over the next ten years:**

### 01

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To create a world class special needs educational establishment at Undershaw Education Trust (Undershaw).

### 02

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

### 03

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

### 04

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To ensure survival of the British butterfly.

The work undertaken to advance these goals is set out on pages 6 to 63 of this report.

## Demonstrating public benefit

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

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

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

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## Grant making policy

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

## ■ Financial Review

The Trustees wish to express their thanks to all staff, partners and colleagues who have worked hard in support of the charitable objectives of the DFN Foundation in a year characterised by the continued presence of Covid-19 and the restrictions imposed to combat the spread of the virus.

Against this backdrop the Statement of Financial Activities reports income of £407,193 (2020 £454,906) and total expenditure of £1,174,674 (2020 £1,538,705) which, after adjusting for unrealised gains on investments and other costs associated with foreign current exchange differences, resulted in a net inflow of resources of £1,782,717 (2020 outflow of £1,092,726) with a fund balance at the year end of £21,801,441 (2020 £20,018,724).

The main areas of charitable activity are:

### ■ Education

## DFN MoveForward

DFN MoveForward is an employability programme built on the tried and tested work of ThinkForward, helping young people with mild to moderate learning disabilities with the aim of supporting them into sustainable paid employment.

The programme is delivered by ThinkForward. This is an innovative education based employability skills

strategy that supports students with special needs, providing individualised coaching, creating ready for work opportunities whilst promoting greater employee awareness and engagement.

Acting as lead commissioner, with match funding from the government's Life Chances Fund, and operating through a Social Impact Bond, the DFN Foundation

has committed up to £1 million to fund the programme over the period to March 2024.

The programme was originally structured so that payments were to be made to ThinkForward based on achievements within a set timeframe, but the impact of Covid-19 necessitated a review of the delivery of the programme.

The DFN Foundation has worked with ThinkForward to focus the payments to an

activities based approach until such time that the original basis can be used.

Accordingly having undertaken appropriate verification tests, the Trustees authorised the release of funds on the basis of the results on the revised (Covid Impact) basis.

As set out in note 8 these accounts include a provision of £209,060 (2020 £186,957) to meet its financial obligation on the basis of the reported results.

## Undershaw

Stepping Stones School relaunched under its new name in September 2021 and is now known as Undershaw Education Trust; a UK registered charity (charity registration number 1039622 England and Wales). The original investment in the property in 2016 totalled £6,622,912. The DFN Foundation remains committed to creating a school that is inclusive and where the best interests of the child are at the heart everything.

Under the terms of the new ten year lease which commenced in September 2019, rental income of £94,381 (2020 £81,332) was received, of which £14,381 (2020 £11,332) was expended in insuring the property.

As set out in note 19 the Trustees are clear that the receipt of investment income from the property is of secondary importance to the furtherance of the benefit derived by the DFN Foundation's beneficiaries through the provision of the enhanced school building and facilities.

## ■ Employability

### Influencing the national debate

The DFN Foundation supported the work of the Centre for Social Justice (CSJ) Disability Commission to secure a step change in the opportunities available to disabled people, especially in employment, to live their lives fully and as they want to. The CSJ Disability Commission published a report "Now is the Time" in March 2021. David Forbes-Nixon was appointed Commission Deputy Chair

of the body which was responsible for the production of the report.

Through this work with the CSJ, the DFN Foundation made a further contribution of £46,850 (2020 £55,375) to promote the work of the Disability Commission and in particular production of the report.

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### DFN Project SEARCH

DFN Project SEARCH (charity registration number 1183834 England and Wales and charity registration number SC049891 Scotland) was assigned the Project SEARCH master franchise in September 2019. Prior to that date the operations of Project SEARCH were administered as a restricted fund of the DFN Foundation.

The Trustees are pleased that DFN Project SEARCH has successfully developed and expanded the Project SEARCH programme whilst overcoming the many challenges imposed by the Covid-19 pandemic. A new strategic plan was developed in early 2020 for DFN Project SEARCH which is ambitious in terms of the number of young people

obtaining sustained employment (target to exceed 10,000 by 2030) and progressive in the development and focused delivery of future sites. Despite the significant challenges presented by the continued presence of the Covid-19 virus, it is expected that the number of new sites due to open will be back on track by September 2022.

The strategic plan expected that DFN Project SEARCH would move to sustainability by 2026. In approving this, and considering other current and future projects, the Trustees agreed to support the recommendation to earmark funds approaching approximately £1 million



in future support for DFN Project SEARCH over the remainder of this plan. Financial support remains dependent on a satisfactory periodic review of progress as measured against exacting key performance indicators.

Grants payable (note 9) reports donations of £500,000 (2020 £668,300) to DFN Project SEARCH.

## ■ Healthcare

### Myeloma UK

The DFN Foundation supports Myeloma UK (charity registration number SC026116 Scotland) through the establishment of the Jacqueline Forbes-Nixon Fellowship. This entails a commitment of £1 million with an agreed timetable for payments. Following changes to the original payment schedule arising partly from the Covid-19 pandemic, the calculation of the funding commitment was revised.

The fellowship is providing essential support for Dr Kaiser as Chief Investigator of the OPTIMUM (MUKnine) trial and his team's research on the molecular structure of high-risk myeloma. The following milestones were achieved in 2021:

The primary endpoint analysis of the OPTIMUM trial has been successfully completed: patients with high-risk myeloma treated with risk-adjusted, personalised therapy in OPTIMUM had a better outcome (progression-free survival) than patients treated conventionally.

Further analyses of patient trial outcomes are now mapped out for the next years and will provide further insights into improved care for high-risk myeloma patients.

As set out in note 23, the remaining funding commitment to Myeloma UK is £534,060 (2020 £621,329) which is expected to be utilised by the end of 2023.

## ■ Conservation

### Big Butterfly Count

The DFN Foundation was the co-sponsor of the Big Butterfly Count in July 2021, the world's biggest survey of butterflies, with over 107,000 participants taking part and over 150,000 counts.

This is the second year of a three year commitment totalling £50,000, or £16,667 annually. As no invoice was received in 2021 the commitment for this year is included in other creditors.

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### Other income and raising funds

Against the backdrop of the impact of Covid-19 on financial markets, and as set out in note 5, the Board noted income from investments of £185,348 (2020 £226,123), which has been utilised in the funding of the charitable activities.

For expediency the DFN Foundation had agreed that DFN Project SEARCH would share its office facilities, for which the DFN Foundation recharged costs to DFN Project SEARCH of £5,710 (2020 £45,629) as set out in note 6. The office lease has not been renewed.

Following the appointment of Claire Cookson as CEO of DFN Project SEARCH, the DFN Foundation also recharged employment costs reflecting the time that the CEO devoted to DFN Project SEARCH of £116,254 (2020 £73,140) as set out in note 6.

Of the costs relating to raising funds £44,559 (2020 £39,800) represents fees paid to Royal Bank of Canada for their management of part of the investment portfolio as set out in note 7.

## Use of resources

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

At the balance sheet date the DFN Foundation held funds of £21,801,441 (2020 £20,018,724). Of this £398,463 (2020 £607,523) represents the balance of the restricted funds held. In addition £534,060 (2020 £621,329) of funds are set aside in respect of commitments made for Myeloma UK; details of both restricted and designated funds are set out in notes 28 and 29.

The investment in Undershaw after the application of depreciation stands at £6,761,309 (2020 £6,782,066) at the balance sheet date.

To satisfy themselves that sufficient free reserves are available to meet all expenditure and commitments as they fall due, the Trustees regularly review the resources that have been committed or earmarked over the medium term. In addition, in assessing future projects and the resources which may be absorbed, the Trustees also maintain a review over

income that may be expected to arise (with a reasonable degree of certainty) over the same period. In this respect the Trustees again acknowledge with gratitude the potential for a future income stream made available to the DFN Foundation by the Executive Chair as set out in note 25.

As noted above the Board has earmarked funds to support DFN Project SEARCH over the medium term of a sum approaching £1 million.

The Trustees note that free reserves (after having regarded for all sums already committed or earmarked for future projects) total a sum approaching £5 million (2020 £4.5 million) inclusive of readily realisable investments and cash reserves. The Board is satisfied that the level of free cash reserves (in cash or readily realisable investments) remains prudent given the continuing presence of Covid-19 and other economic uncertainties.

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

## Investment policy

It remains the policy of the Board to invest funds not immediately required for ongoing projects (and to fund the commitments detailed in notes 27 to 29 through income generation and capital growth) within a portfolio of investments. Investments are made to maintain sufficient liquidity to meet the aforementioned commitments as they fall due.

In the selection of investments the Board draws on its collective experience and knowledge of the financial markets to provide the balance of good quality income generation and capital growth without geographical, currency or sector restriction.

It remains the Board's objective, over the medium to long term, to build on

the existing portfolio to create a core fund capable of delivering good quality investment returns and growth to fund existing and future charitable projects.

At the year-end, after the generation of investment income (other than rental income) of £185,348 (2020 £226,123) and having enjoyed net realised and unrealised gains of £2,525,762 (2020 £37,249) the DFN Foundation held investment funds valued in total at £14,469,259 (2020 £9,961,473).

Generally the Board considers that the performance of the funds has been satisfactory, although the rate rising environment will dictate a different investment approach in 2022.

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## Risk management

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

The Trustees and CEO regularly review the register to address any changes in the likelihood and impact of each risk and risk mitigation measures are considered.

The register is updated periodically to reflect new and changing risks.

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

- Safeguarding failure or adverse regulator opinion. The Trustees keep quality at the forefront of its strategy.
- Maintaining investment performance to deliver on the investment objective. The Board collectively has significant experience of the financial markets (as detailed below) to ensure informed judgements are made in the selection and management of the portfolio.
  - David Forbes-Nixon has over 30 years' experience in financial markets and has only recently retired as Chairman and Chief Executive at Alcentra, a large asset manager (circa US\$34 billion) in the sub-investment grade credit space.
  - James Dickson has over 23 years' experience as an investment manager.
- The day-to-day management of the ongoing projects is undertaken by the CEO (and advisors as necessary) whilst overseen by the Executive Chair. The Board remains of the view that this hands on approach serves to identify and respond to any issues that may arise as projects progress. In addition the close involvement of the CEO and oversight by the Executive Chair enables them to be fully appraised of any events which might give rise to unwelcome attention and hence reputational risks.
- Selection of projects to deliver the charitable objectives. The agreed criteria by which the Board judges future projects is set out below, aided by the setting of clear objectives with all partner organisations and monitoring and reporting progress against such agreed criteria. This underlines the Board's established approach in the careful selection of advisors and partners with appropriate experience and a proven track record within their specialist sectors.

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

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

## **Diversity**

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

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## **Structure, governance and management**

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

The Board of Trustees is responsible for the overall governance of the Charity and meets as a Board at least three times a year. In addition two sub-committees have been established which are responsible for reviewing the investment portfolio and monitoring safeguarding measures; the sub-committees meet at least twice a year.

The Trustees, who are also directors for the purposes of company law, and who have served since the end of the previous year (unless indicated otherwise) are:

- Mr David Forbes-Nixon – Executive Chair
- Mr James Dickson
- Mr Simon Konsta
- Mr Eric Low
- Mr Norman Stromsoy
- Ms Tina Scott (appointed 19 May 2021)

The number of Trustees shall not be less than two.

None of the Trustees receive remuneration or other benefit from their work for the Charity, other than trivial gifts as set out in note 10. Expenses incurred by the Trustees in the performance of their duties are reimbursed. None of the Trustees has any beneficial interest in the company. All the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The Board of Trustees administers the Charity. In doing so the Trustees have delegated the day-to-day administration of the Charity to the Executive Chair, Mr David Forbes-Nixon. Trustees receive regular reports on the progress of the projects in hand and meet (formally as noted above and via telephone/ virtual meetings) to discuss progress, future projects and to approve current and future expenditure and the funding thereof.

As described above the Charity is working in partnership with an existing school, Undershaw, in pursuance of the educational objective. David Forbes-Nixon and Claire Cookson, CEO of the DFN Foundation, are both Trustees of Undershaw. David Forbes-Nixon is also a Trustee of DFN Project SEARCH.

Mr Norman Stromsoy is a Trustee of the Himalayan Youth Foundation UK.

## Trustee selection and induction

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

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

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## Statement of Trustees' responsibilities and corporate governance

The Trustees, who are also the directors of DFN Foundation for the purposes of company law, are responsible for preparing the Trustees Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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



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

**01**

Select suitable accounting policies and then apply them consistently.

**02**

Observe the methods and principles in the Charities SORP.

**03**

Make judgements and accounting estimates that are reasonable and prudent.

**04**

State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

**05**

Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in business.

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

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

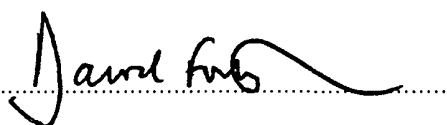
## ■ Auditor

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

### **Disclosure of information to the Auditor**

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

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

A handwritten signature in black ink, appearing to read 'David Forbes-Nixon', written over a horizontal dotted line.

Dated: 8 August 2022

**Mr David Forbes-Nixon (Executive Chair)**

# ■ Independent Auditor's Report to the members of the David Forbes-Nixon Charitable Foundation

## Opinion

We have audited the financial statements of the David Forbes-Nixon Charitable Foundation (the 'charitable company') for the year ended 31 December 2021, which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

## In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Charities Act 2011.

## Basis for opinion

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

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue. Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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

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

- the information given in the financial statements is inconsistent in any material respect with the Trustees' Report;
- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records; 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 as set out on pages 78 and 79, the Trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

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

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

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

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

### Use of our report

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



**Dixon Wilson Audit Services LLP - Statutory Auditor**

Dated: 8 August 2022

22 Chancery Lane  
London  
WC2A 1LS

Dixon Wilson Audit Services LLP are eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

## Statement of Financial Activities including Income and Expenditure Account for the year ended 31 December 2021

### Current financial year

Current financial year		Unrestricted funds 2021	Restricted funds 2021	Total 2021	Total 2020
	Notes	£	£	£	£
<b>Income from:</b>					
Donations	3	2,500	-	2,500	11,000
Charitable activities	4	3,000	-	3,000	17,682
Income from investments	5	279,729	-	279,729	307,455
Other incoming resources	6	121,964	-	121,964	118,769
<b>Total income</b>		<b>407,193</b>	<b>-</b>	<b>407,193</b>	<b>454,906</b>
<b>Expenditure on:</b>					
Raising funds	7	44,706	-	44,706	43,300
Charitable activities	8	920,908	209,060	1,129,968	1,495,405
<b>Total resources expended</b>		<b>965,614</b>	<b>209,060</b>	<b>1,174,674</b>	<b>1,538,705</b>
Net gains/ (losses) on investments	14	2,525,762	-	2,525,762	37,249
<b>Net incoming/ (outgoing) resources</b>		<b>1,967,341</b>	<b>(209,060)</b>	<b>1,758,281</b>	<b>(1,046,550)</b>
<b>Other recognised gains and losses</b>					
Other gains/ (losses)	15	24,436	-	24,436	(46,176)
<b>Net movement in funds</b>		<b>1,991,777</b>	<b>(209,060)</b>	<b>1,782,717</b>	<b>(1,092,726)</b>
Fund balances at 1 January 2021		19,411,201	607,523	20,018,724	21,111,450
<b>Fund balances at 31 December 2021</b>		<b>21,402,978</b>	<b>398,463</b>	<b>21,801,441</b>	<b>20,018,724</b>

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

All income and expenditure derive from continuing activities.

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

## Statement of Financial Activities including Income and Expenditure Account for the year ended 31 December 2021 (continued)

### Prior financial year

Prior financial year		Unrestricted funds 2020	Restricted funds 2020	Total 2020
	Notes	£	£	£
<b>Income and endowments from:</b>				
Donations	3	11,000	-	11,000
Charitable activities	4	17,682	-	17,682
Income from investments	5	307,455	-	307,455
Other incoming resources	6	118,769	-	118,769
<b>Total income</b>		<b>454,906</b>	<b>-</b>	<b>454,906</b>
<b>Expenditure on:</b>				
Raising funds	7	43,300	-	43,300
Charitable activities	8	1,308,448	186,957	1,495,405
<b>Total resources expended</b>		<b>1,351,748</b>	<b>186,957</b>	<b>1,538,705</b>
Net gains/ (losses) on investments	14	37,249	-	37,249
<b>Net incoming/ (outgoing) resources</b>		<b>(859,593)</b>	<b>(186,957)</b>	<b>(1,046,550)</b>
<b>Other recognised gains and losses</b>				
Other gains/ (losses)	15	(46,176)	-	(46,176)
<b>Net movement in funds</b>		<b>(905,769)</b>	<b>(186,957)</b>	<b>(1,092,726)</b>
Fund balances at 1 January 2020		20,316,970	794,480	21,111,450
<b>Fund balances at 31 December 2020</b>		<b>19,411,201</b>	<b>607,523</b>	<b>20,018,724</b>

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

All income and expenditure derive from continuing activities.

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



## Balance Sheet as at 31 December 2021

		2021		2020	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	16		6,761,309		6,782,066
Investments	17		14,469,259		9,961,473
			<b>21,230,568</b>		<b>16,743,539</b>
<b>Current assets</b>					
Debtors	18	20,382		2,583,510	
Cash at bank and in hand		1,901,792		1,739,076	
		<b>1,922,174</b>		<b>4,322,586</b>	
<b>Creditors: amounts falling due within one year</b>	21	(1,212,686)		(549,894)	
Net current assets			709,488		3,772,692
<b>Total assets less current liabilities</b>			21,940,056		20,516,231
<b>Creditors: amounts falling due after more than one year</b>	22		(138,615)		(497,507)
<b>Net assets</b>			<b>21,801,441</b>		<b>20,018,724</b>
<b>Income funds</b>					
Restricted funds	28		398,463		607,523
<b>Unrestricted funds</b>					
Designated funds	29	534,060		621,329	
General unrestricted funds		20,868,918		18,789,872	
			21,402,978		19,411,201
			<b>21,801,441</b>		<b>20,018,724</b>

## Balance Sheet as at 31 December 2021 (continued)

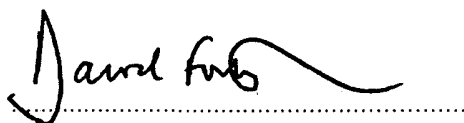
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

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

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

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

The financial statements were approved by the Trustees on: 8 August 2022.

A handwritten signature in black ink, appearing to read 'David Forbes-Nixon', written over a dotted line.

**Mr D Forbes-Nixon**  
**Executive Chair**

Company registration number 08906571

## Statement of Cash Flows

*For the year ended 31 December 2021*

		2021		2020	
Cash flows from operating activities	Notes	£	£	£	£
Cash generated from/ (absorbed by) operations	34		(659,425)		(1,359,823)
<b>Investing activities</b>					
Purchase of tangible fixed assets		-		(1,500)	
Purchase of investments		(1,218,906)		(3,844,137)	
Proceeds on disposal of investments		1,771,412		4,676,833	
Investment income received		279,729		307,455	
<b>Net cash (used in)/ generated from investing activities</b>			<b>(832,235)</b>		<b>1,138,651</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>			<b>172,810</b>		<b>(221,172)</b>
Cash and cash equivalents at beginning of year			1,739,076		1,963,342
Change in cash due to exchange rate movements			(10,094)		(3,094)
<b>Cash and cash equivalents at end of year</b>			<b>1,901,792</b>		<b>1,739,076</b>

## Notes to the Financial Statements

*For the year ended 31 December 2021*

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### 1. Accounting Policies

#### Charity information

The David Forbes-Nixon Charitable Foundation (the DFN Foundation) is a private company limited by guarantee incorporated in England and Wales. The registered office is 10 Norwich Street, London, EC4A 1BD. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

#### 1.1 Accounting convention

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

The financial statements are prepared in pounds sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest pound. The accounts have been prepared on the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

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

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the charitable objectives unless the funds have been designated for other purposes. Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

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

### 1.4 Incoming resources

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

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

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

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

Income arising from investments is generally recognised on receipt. As set out in note 25, a potential income stream (termed carried interest income) has been made available to the DFN Foundation by the Executive Chair arising from the inclusion of the DFN Foundation within the profit share arrangement for a number of investments to which the Executive Chair is a party.

Carried interest income is recognised once the receipt of funds is probable and a reasonable estimate of the amount can be made. This will not be before the time the underlying fund has realised sufficient returns to exceed its hurdle rate. Before income is recognised, that is before receipt of funds is probable and/ or a reasonable estimate of

## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

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the amount can be made, the Trustees' best estimate of the amount and timing of future carried interest income is disclosed as a contingent asset.

### 1.5 Resources expended

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

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

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

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

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

### 1.6 Tangible fixed assets

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

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

## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

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

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

### 1.7 Fixed asset investments

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

### 1.8 Impairment of fixed assets

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

### 1.9 Cash and cash equivalents

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

### 1.10 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

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

### Basic financial assets

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

### Basic financial liabilities

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

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

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

### Derecognition of financial liabilities

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



## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

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### **1.11 Employee benefits**

Where material the cost of any unused holiday entitlement is recognised in the period in which the employees' services are received. Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### **1.12 Retirement benefits**

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

Payments to an employee's personal pension plan can also be made at the Trustees' discretion. Payments to the defined contribution pension scheme and an employee's personal pension are charged as an expense as they fall due.

### **1.13 Leases**

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

### **1.14 Foreign exchange**

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

### **1.15 Activity basis allocation**

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

### **1.16 Mixed motive investments**

The DFN Foundation has invested in the purchase and development of the Undershaw property to support its expansion by the provision of accommodation to meet the growing

## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

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demand for places at this special needs school. At the completion of the development work the DFN Foundation entered into a lease with Undershaw for which a concessionary level of rent was agreed.

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

## 2. Critical accounting estimates and judgements

### Critical judgements

#### Undershaw

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

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

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

#### Impairment of fixed assets

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

## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

### Critical estimates

#### Contingent assets

The contingent asset disclosed within note 25 is based on a number of critical estimates. However the estimated value of the contingent asset is not included within the carrying amount of assets and liabilities due to its uncertain amount and probability. Future cash inflows will be recognised in the Financial Statements when they are considered probable and can be reliably measured. Further information on the contingent asset is contained within note 25 of the Financial Statements.

#### Funding commitments

The Board has projected the future value of the funding commitment to Myeloma UK based on the average return of investment rate and projected cash payments to Myeloma UK. These estimates are based on market conditions and the resources committed by Myeloma UK to the research project which are subject to change annually. Due to the volatility of the market and uncertainty over the timing of future payments, the future movement is uncertain. The Board therefore has provided its best estimate at the year end. Further details on the calculation of this funding commitment is shown in note 23.

#### Unlisted investments

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

### 3. Donations

	2021	2020
	£	£
Donations	2,500	11,000
	<b>2,500</b>	<b>11,000</b>

## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

### 4. Charitable activities

	2021	2020
	£	£
Other education services provided	3,000	17,682
	<b>3,000</b>	<b>17,682</b>

### 5. Income from investments

	2021	2020
	£	£
Rental Income	94,381	81,332
Income from listed investments	40,751	59,038
Income from unlisted investments	138,118	167,010
Other income from unlisted investments	6,314	-
Interest receivable	165	75
	<b>279,729</b>	<b>307,455</b>

### 6. Other incoming resources

	2021	2020
	£	£
Expenditure recharged to DFN Project SEARCH for office facilities	5,710	45,629
Expenditure recharged to DFN Project SEARCH for the services of the CEO	116,254	73,140
	<b>121,964</b>	<b>118,769</b>

For expediency the DFN Foundation and DFN Project SEARCH continued to share office facilities until January 2021 when the office lease was discontinued.

DFN Project SEARCH was invoiced for the cost of the office rent and facilities plus any other shared services.

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

## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

### 7. Raising funds

	2021	2020
	£	£
<b>Fundraising and publicity</b>		
Fundraising costs	147	3,500
Investment management	44,559	39,800
	<b>44,706</b>	<b>43,300</b>

### 8. Charitable activities

*For the year ended 31 December 2021*

Charitable activities	Education and Employability 2021	Healthcare 2021	Total 2021
	£	£	£
<b>Employability Project</b>			
Employability Project funding	17,500	-	17,500
PR Campaign for 'Now is the Time'	29,350	-	29,350
<b>DFN MoveForward</b>			
MoveForward funding	209,060	-	209,060
	<b>255,910</b>	<b>-</b>	<b>255,910</b>
Grant funding of activities (note 9)	493,000	41,592	534,592
Share of support costs (note 11)	242,614	10,923	253,537
Share of governance costs (note 11)	81,408	4,521	85,929
	<b>1,072,932</b>	<b>57,036</b>	<b>1,129,968</b>
<b>Analysis by fund</b>			
Unrestricted funds	863,872	57,036	920,908
Restricted funds	209,060	-	209,060
	<b>1,072,932</b>	<b>57,036</b>	<b>1,129,968</b>

## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

### 8. Charitable activities

*For the year ended 31 December 2020*

Charitable activities	Education and Employability 2020	Healthcare 2020	Conservation 2020	Total 2020
	£	£	£	£
<b>Employability Project</b>				
Employability Project funding	55,375	-	-	55,375
PR Campaign for 'Now Is The Time'	-	-	-	-
<b>DFN MoveForward</b>				
MoveForward funding	186,957	-	-	186,957
	<b>242,332</b>	<b>-</b>	<b>-</b>	<b>242,332</b>
Grant funding of activities (note 9)	789,865	35,852	50,000	875,717
Share of support costs (note 11)	264,416	7,113	9,921	281,450
Share of governance costs (note 11)	88,542	3,075	4,289	95,906
	<b>1,385,155</b>	<b>46,040</b>	<b>64,210</b>	<b>1,495,405</b>
<b>Analysis by fund</b>				
Unrestricted funds	1,198,198	46,040	64,210	1,308,448
Restricted funds	186,957	-	-	186,957
	<b>1,385,155</b>	<b>46,040</b>	<b>64,210</b>	<b>1,495,405</b>

## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

In 2020 research costs relating to the Employability Project were included under the DFN MoveForward heading, however the Trustees feel the separation of costs under their own heading adds further clarity to the current and future reporting of charitable activities.

### 9. Grants payable

	Education and employability	Healthcare	Conservation	Total 2021	Total 2020
	£	£	£	£	
<b>Grants to institutions:</b>					
St Catherine's School	-	-	-	-	10,000
Himalayan Youth Foundation UK	(7,000)	-	-	(7,000)	26,565
Myeloma UK	-	41,592	-	41,592	35,852
DFN Project SEARCH	500,000	-	-	500,000	668,300
Mission EmployAble	-	-	-	-	10,000
Undershaw	-	-	-	-	75,000
Big Butterfly Count	-	-	-	-	50,000
	<b>493,000</b>	<b>41,592</b>	<b>-</b>	<b>534,592</b>	<b>875,717</b>

#### Education and employability

During the year a grant of £3,000 was made to the Himalayan Youth Foundation UK as disclosed in note 23. Later in the year the DFN Foundation withdrew from its commitment to the Himalayan Youth Foundation UK as disclosed in note 23. A credit entry of £10,000 has been entered in respect of grants to the Himalayan Youth Foundation UK for the year to 31 December 2021.

## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

### 10. Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year. Trustees were reimbursed a total of £267 (2020 - £412) for expenses incurred for various meetings with Trustees and management throughout the year. A payment of £505 (2020 - nil) was paid for a LinkedIn licence for one of the Trustees.

During the year the DFN Foundation provided trivial gifts to the Trustees totalling £338 (2020 - nil) as a thank you for their ongoing work during the Covid-19 pandemic.

### 11. Support costs

	Support costs	Governance costs	2021	2020	Basis of allocation
	£	£	£	£	
Staff costs	145,318	-	145,318	127,540	Resources expended
Depreciation	20,757	-	20,757	24,586	Direct allocation
Property costs	14,530	-	14,530	17,165	Direct allocation
Website hosting	1,353	-	1,353	9,384	Resources expended
Administration costs	21,993	-	21,993	20,409	Resources expended
Education consultancy	2,543	-	2,543	16,855	Direct allocation
Public Relations	39,923	-	39,923	24,030	Resources expended
Office rent	7,120	-	7,120	41,481	Direct allocation
Audit fees	-	17,677	17,677	17,384	Resources expended
Legal and professional fees	-	45,344	45,344	64,707	Resources expended
Trustees' expenses	-	267	267	412	Resources expended
Management expenses	-	21,330	21,330	8,075	Resources expended



## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

### 11. Support costs (continued)

Bank charges	-	186	186	3,169	Resources expended
Board expenses	-	1,125	1,125	2,159	Resources expended
	<b>253,537</b>	<b>85,929</b>	<b>339,466</b>	<b>377,356</b>	
<b>Analysed between</b>					
Charitable activities	253,537	85,929	339,466	377,356	

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

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

As set out in note 6 above the DFN Foundation raised quarterly invoices (at cost) for support costs utilised by DFN Project SEARCH.

### 12. Auditor's remuneration

The analysis of auditor's remuneration is as follows:

	2021	2020
	£	£
Audit of the annual accounts	17,677	17,384

The 2020 remuneration above contains an adjustment to the sum of £2,146 relating to an over provision of auditor's remuneration in 2019.

## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

### 13. Employees

The average monthly number of employees over the course of the year was:

Number of employees	2021	2020
	Number	Number
Management	1	1
	1	1

Employment Costs	2021	2020
	£	£
Wages and salaries	105,546	100,000
Social security costs	9,272	8,593
Other pension costs	30,500	18,587
	145,318	127,180

The number of employees whose annual remuneration was £60,000 or more was:	2021	2020
	Number	Number
£100,000 - £110,000	1	1

Contributions totalling £30,500 (2020 - £18,587) were made to defined contribution pension schemes on behalf of employees whose emoluments exceed £60,000.

The key management personnel of the charity comprised of the CEO. During the year the CEO received total remuneration of £145,318 (2020 - £127,180).

## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

As set out in note 6 above, Claire Cookson is employed as the CEO of both the DFN Foundation and DFN Project SEARCH. During the year the DFN Foundation raised quarterly invoices for the time that the CEO had devoted to DFN Project SEARCH. The CEO's employment costs recharged to DFN Project SEARCH amounted to £116,254 (2020 - £73,140) for the year.

### 14. Net gains/ (losses) on investments

	2021	2020
	£	£
Revaluation of investments	2,272,464	(537,308)
Gains/ (losses) on sale of investments	253,298	574,557
	<b>2,525,762</b>	<b>37,249</b>

### 15. Other gains/ (losses)

	2021	2020
	£	£
Foreign exchange gains/ (losses)	24,436	(46,176)

Foreign exchange gains/ (losses) comprise £34,530 (2020 - (£43,038)) relating to foreign exchange gains on fixed asset investments and £10,094 (2020 - (£2,819)) of realised currency losses (2020 – additional loss of £274 on bank revaluation).

## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

### 16. Tangible fixed assets

Tangible fixed assets	Land & Buildings	Hydro Therapy Pool	Furniture & Equipment	IT Equipment	Charity Website	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 January 2021	6,622,912	148,161	190,657	112,192	26,235	7,100,157
Disposals	-	-	-	-	(24,735)	(24,735)
<b>At 31 December 2021</b>	<b>6,622,912</b>	<b>148,161</b>	<b>190,657</b>	<b>112,192</b>	<b>1,500</b>	<b>7,075,422</b>
<b>Depreciation and impairment</b>						
At 1 January 2021	-	37,040	145,079	110,737	25,235	318,091
Depreciation charged in the year	-	7,408	11,394	1,455	500	20,757
Eliminated in respect of disposals	-	-	-	-	(24,735)	(24,735)
<b>At 31 December 2021</b>	<b>-</b>	<b>44,448</b>	<b>156,473</b>	<b>112,192</b>	<b>1,000</b>	<b>314,113</b>
<b>Carrying amount</b>						
<b>At 31 December 2021</b>	<b>6,622,912</b>	<b>103,713</b>	<b>34,184</b>	<b>-</b>	<b>500</b>	<b>6,761,309</b>
At 31 December 2020	6,622,912	111,121	45,578	1,455	1,000	6,782,066

## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

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

	2021	2020
	£	£
Freehold	300,000	300,000

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

## 17. Fixed asset investments

	Listed investments	Unlisted investments	Total
	£	£	£
<b>Cost or valuation</b>			
At 1 January 2021	4,419,567	5,541,906	9,961,473
Additions	718,906	3,000,000	3,718,906
Valuation changes	617,764	1,689,230	2,306,994
Realised gains/ (losses) on disposal	253,298	-	253,298
Disposals	(722,804)	(1,048,608)	(1,771,412)
<b>At 31 December 2021</b>	<b>5,286,731</b>	<b>9,182,528</b>	<b>14,469,259</b>
<b>Carrying amount</b>			
<b>At 31 December 2021</b>	<b>5,286,731</b>	<b>9,182,528</b>	<b>14,469,259</b>

## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

Held within listed investments is a cash balance of £15,677 (2020 - £30,107) for investment purposes within an investment portfolio.

Other investments comprise:	Notes	2021	2020
		£	£
Investments in subsidiaries	33	1	1

Investments at fair value comprise:	2021	2020
	£	£
Unlisted investments	9,182,528	5,541,906

### Fixed asset investments revalued

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

**Listed investments** - year end market valuation

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

## 18. Debtors

Amounts falling due within one year:	2021	2020
	£	£
Trade debtors	2,500	29,600
Other debtors	302	2,532,247
Prepayments and accrued income	17,580	21,663
	<b>20,382</b>	<b>2,583,510</b>

## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

### 19. Mixed motive investments

	Freehold property 2021	Freehold property 2020
	£	£
At 1 January 2021	6,322,912	6,322,912
At 31 December 2020	6,322,912	6,322,912

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

The property is held within fixed assets in accordance with Section 21.15 of the SORP. The carrying value of the social investment as at 31 December 2021 was £6,322,912.

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

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

## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

### 20. Financial instruments

	2021	2020
	£	£
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	2,802	2,561,847
Instruments measured at fair value through profit or loss	14,469,259	9,961,473
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	1,351,501	1,038,096

### 21. Creditors: amounts falling due within one year

	Notes	2021	2020
		£	£
Other taxation and social security		26,032	9,305
Deferred income	24	33,333	-
Trade creditors		-	13,087
Other creditors	23	453,778	217,155
Accruals		699,543	310,347
		<b>1,212,686</b>	<b>549,894</b>

### 22. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Other creditors	138,615	497,507



## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

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### 23. Funding commitments

#### Myeloma UK

In 2015 the DFN Foundation entered into a commitment to provide a grant to Myeloma UK of £1 million to fund a development programme focusing on research. An agreement was put in place including a timeline for the payment of the commitment. Myeloma UK raises invoices to the DFN Foundation periodically for the work completed on the research programme.

The ongoing commitment extending beyond the 12 months following the balance sheet date is calculated by the amortised cost method using an average return of investment rate calculated at 5% per annum.

Following changes in the original payment schedule, due partly to the Covid-19 pandemic, the DFN Foundation has revised the calculation of the Myeloma UK funding commitment.

Remaining cash payments of £567,693 (discounted value £508,628) are due to Myeloma UK and projected to be made over the next two years to 31 December 2023. As a result of the above changes, finance costs relating to the commitment include a one off adjustment of £10,025, increasing the charge in the Statement of Financial Activities from £31,568 to £41,592.

At the year end the funding commitment to Myeloma UK due within one year is calculated as £395,445 (2020 - £165,488) and shown within other creditors in note 21. The commitment due after one year amounts to £138,615 (2020 - £455,841) and is included within long term creditors within note 22.

The DFN Foundation will continue to fund the commitment from current unrestricted cash reserves and future income generated from investments.

## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

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### **Himalayan Youth Foundation UK**

The DFN Foundation and the Himalayan Youth Foundation UK have agreed to cancel the remaining £10,000 (2020 - £10,000) commitment payable to the Himalayan Youth Foundation UK, which formed part of the £25,000 commitment made in 2020. This follows the completion of the building programme and provision of equipment with the funds provided by the DFN Foundation in 2020. The project has been successfully delivered and continues to develop the students' employability and enterprise skills.

The DFN Foundation paid £3,000 to the Himalayan Youth Foundation UK during the year for the annual sponsorship of two children at the Young Hearts Boarding High School in Nepal.

### **Big Butterfly Count**

In pursuance of the conservation objective, the DFN Foundation continues to support the Big Butterfly Count as co-sponsor over a three year period commencing in 2020. These accounts reflect the ongoing commitment with £33,333 (2020 - £33,333). The invoice for 2021 was issued to the DFN Foundation after the year end and therefore the 2021 commitment is included within other creditors per note 21.

### **Undershaw - Progression Coach**

In partnership with the COINS Foundation, the DFN Foundation continues its commitment to provide funds for the employment of a Progression Coach at Undershaw over a three year period. These accounts reflect the outstanding sum of the commitment of £25,000 due within one year of the balance sheet date (2020 - £50,000).

## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

### 24. Deferred income

	2021	2020
	£	£
Arising from services provided	33,333	-

Rental income of £33,333 was received from Undershaw on 18 December 2021 and paid in advance of the winter term 2021-22. The school term covered is from 1 January 2022 - 30 April 2022 and therefore the full rental sum is deferred as at 31 December 2021.

### 25. Contingent asset

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

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

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

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

## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

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

• Potential receipt in year ended 31 December 2022	£8,059
• Potential receipt in year ended 31 December 2024	£5,521,742
• Potential receipt in year ended 31 December 2025	£1,181,420
• Additional potential receipt between 2021 and 2025	£174,503

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

A cash receipt of £6,314 was received from the above investments during 2021 (2020 - nil). At the year end no income has been recognised in respect of future years (2020 - nil).

## 26. Retirement benefit schemes

### Defined contribution schemes

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

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

## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

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The charge to the statement of financial activities in respect of pension contributions is £30,500 (2020 - £18,587).

## 27. Financial commitments, guarantees and contingent liabilities

### Investments

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

At the year end the DFN Foundation had an outstanding commitment under this investment of £1,197,853 (2020 - £196,220). The increase in 2021 reflects the variable nature of the investment vehicle where capital is paid and repaid throughout the life of the investment.

### ARK

The DFN Foundation no longer has any commitment to provide loan finance to ARK in support of the EdCity project (2020 - £1 million).

## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

### 28. Restricted funds

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

#### Movement in funds

	Balance at 1 January 2021	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	Balance at 31 December 2021
	£	£	£	£	£	£
DFN MoveForward	607,523	-	(209,060)	-	-	398,463
	607,523	-	(209,060)	-	-	398,463

	Balance at 1 January 2020	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	Balance at 31 December 2020
	£	£	£	£	£	£
DFN MoveForward	794,480	-	(186,957)	-	-	607,523
	794,480	-	(186,957)	-	-	607,523

## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

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### DFN MoveForward

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

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

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

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

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

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

These accounts reflect a provision for payments due to ThinkForward of £209,060 (2020 - £186,957).

## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

### 29. Designated funds

The funds of the Charity include the following designated funds which have been set aside out of unrestricted funds by the Trustees for specific purposes:

	Balance at 1 January 2021	Resources expended	Charge to SOFA	Balance at 31 December 2021
	£	£	£	£
Myeloma UK	621,329	(128,861)	41,592	534,060
	<b>621,329</b>	<b>(128,861)</b>	<b>41,592</b>	<b>534,060</b>

	Balance at 1 January 2020	Resources expended	Charge to SOFA	Balance at 31 December 2020
	£	£	£	£
Myeloma UK	588,923	(3,446)	35,852	621,329
Himalayan Youth Foundation UK	839	(1,400)	561	-
	<b>589,762</b>	<b>4,846</b>	<b>36,413</b>	<b>621,329</b>

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

Designated funds spent on the Himalayan Youth Foundation UK in 2020 were in respect of a previous funding commitment which has since been fully expended.



## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

### 30. Analysis of net assets between funds

Fund balances at 31 December 2021 are represented by:

	Unrestricted funds	Restricted funds	Designated funds	Total
	£	£	£	£
Tangible assets	6,761,309	-	-	6,761,309
Investments	14,469,259	-	-	14,469,259
Current assets/ (liabilities)	(223,035)	398,463	534,060	709,488
Long term liabilities	(138,615)	-	-	(138,615)
	<b>20,868,918</b>	<b>398,463</b>	<b>534,060</b>	<b>21,801,441</b>

Fund balances at 31 December 2020 are represented by:

	Unrestricted funds	Restricted funds	Designated funds	Total
	£	£	£	£
Tangible assets	6,782,066	-	-	6,782,066
Investments	9,961,473	-	-	9,961,473
Current assets/ (liabilities)	2,543,840	607,523	621,329	3,772,692
Long term liabilities	(497,507)	-	-	(497,507)
	<b>18,789,872</b>	<b>607,523</b>	<b>621,329</b>	<b>20,018,724</b>

## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

### 31. Operating lease receipts lessor

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

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

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

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

Either party to the lease may terminate the agreement on 31 August in each year of the term by giving the other party not less than 12 months' notice.

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

At the balance sheet date Undershaw had contracted with the DFN Foundation for the following minimum lease payments:

	2021	2020
	£	£
Within one year	100,000	80,000
Between two and five years	400,000	400,000
Over five years	266,667	366,667
	<b>766,667</b>	<b>846,667</b>

## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

### 32. Transactions with related parties

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

#### Leases

	2021	2020
	£	£
Undershaw - receipt of rental income	80,000	70,000
Undershaw - reimbursement of insurance	14,381	11,332
	<b>94,381</b>	<b>81,332</b>

#### Undershaw

Undershaw is a related party due to the significant influence the Board of Trustees of the DFN Foundation has over the Board of Undershaw. Services and goods have been provided to assist in the support of common goals. In addition Undershaw was granted the right to use the property as a school site, under the terms of a lease agreement, for a fee below that of market rental.

No grants were paid to Undershaw in the year ending 31 December 2021 (2020 - £75,000).

#### Forbes Capital Investments Limited

Between April and December 2021 Forbes Capital Investments Limited provided the use of an employee to undertake administrative services for the DFN Foundation and on behalf of David Forbes-Nixon in his role as Trustee and Executive Chair. Forbes Capital Investments Limited (Registered in Guernsey: 53680) is controlled by David Forbes-Nixon.

## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

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A sum of £11,785 (2020 - nil) was charged by Forbes Capital Investments Limited as a reimbursement for a proportion of the employee's employment costs whilst they undertook work for the DFN Foundation. At the year end the DFN Foundation owed £11,785 (2020 - nil) to Forbes Capital Investments Limited.

### DFN Project SEARCH

DFN Project SEARCH is considered a related party of the DFN Foundation following the appointment of a joint CEO in 2020. The transactions between the two organisations are:

- Grants paid to DFN Project SEARCH by the Foundation of £500,000 (2020 - £668,300) as reported in note 9.
- Charges made at cost for the services of the CEO of £116,254 (2020 - £73,140) as reported in note 6.
- Shared office facilities were recharged to DFN Project SEARCH during the year totalling £5,710 (2020 - £45,629) as reported in note 6.

The DFN Foundation received the services of the Financial Controller employed by DFN Project SEARCH for which invoices were raised at cost totalling £8,934 (2020 - nil). These costs are reported within management expenses of £21,330 within note 11.

No services were received by the DFN Foundation in respect of an Office Manager in 2021 (2020 - £8,075). At the year end the DFN Foundation owed DFN Project SEARCH £543,477 (2020 - £190,819). This balance is reported within creditors falling due within one year in note 21.

### Donations from Trustees

No donations that require disclosure were made to the DFN Foundation by any of the Trustees in the year.

## Notes to the Financial Statements

*For the year ended 31 December 2021 (continued)*

### 33. Subsidiaries

In keeping with its statutory obligations, the Board has arranged for separate financial statements for the period to 31 December 2021 to be prepared for the subsidiary. The Board has not prepared consolidated financial statements as the relevant thresholds which require such treatment were not exceeded in the year under review.

Details of the Charity's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	Percentage held direct
DFN Events Limited	UK	Events company	Ordinary	100

### 34. Cash generated from operations

	2021	2020
	£	£
Surplus/ (deficit) for the year	1,758,281	(1,046,550)
<b>Adjustments for:</b>		
Investment income recognised in statement of financial activities	(279,729)	(307,455)
Gain on disposal of investments	(253,298)	(574,557)
Fair value gains and losses on investments	(2,272,464)	537,308
Depreciation and impairment of tangible fixed assets	20,757	24,586
<b>Movements in working capital:</b>		
Decrease in debtors	63,128	111,378
Increase/ (decrease) in creditors	270,567	(99,726)
Increase/ (decrease) in deferred income	33,333	(1,807)
<b>Cash generated from/ (absorbed by) operations</b>	<b>(659,425)</b>	<b>(1,359,823)</b>

## **Notes to the Financial Statements**

*For the year ended 31 December 2021 (continued)*

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### **35. Analysis of change in net funds**

The Charity had no debt during the year.

## **Notes to the Financial Statements**

*For the year ended 31 December 2021 (continued)*

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## Contact us

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