

Charity Registration No. 253481

JOHN MOORES FOUNDATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2018

JOHN MOORES FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Barnaby Moores Nicola Eastwood Christina Mee Kevin Moores
Grants Director	Phil Godfrey
Charity number	253481
Principal address	1st Floor Front Office 96 Bold Street Liverpool L1 4HY
Auditor	BWM Castle Chambers 43 Castle Street Liverpool L2 9SH
Bankers	Allied Irish Bank 1 St Pauls Square Old Hall Street Liverpool L3 9PP
Investment advisors	Veritas Investment Managers 90 Long Acre London WC2E 9RA Rathbone Investment Management Limited Port of Liverpool Building Pier Head Liverpool L3 1NW

JOHN MOORES FOUNDATION

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JOHN MOORES FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 5 APRIL 2018

The trustees present their report and financial statements for the year ended 5 April 2018.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Trust Deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

The accounts have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

Objectives and activities

The Foundation is a grant making charitable trust. The aims and objectives of the Foundation were widely drawn at the beginning to allow for changing patterns of need. Current policy is to confine giving to the following areas:

- I **Merseyside** is the first concern of the Trustees and receives around 60-75% of the annual grant total.
- II **Northern Ireland** on average receives around 25% of the annual grant total.
- III **One-off exceptional grants** are rare and unspecific and are to causes that interest Trustees.

Trustees do not respond to unsolicited requests in category III

Policy

Grant making is mainly directed towards new and/or small organisations in the area of Merseyside (including Skelmersdale, Ellesmere Port and Halton) and in Northern Ireland, who work with disadvantaged or marginalised people and who find it more than usually difficult to raise money from other sources. Preference is given to organisations seeking funding for projects which fall within the Foundation's target areas for giving which are:

- local community groups
- black and minority ethnic organisations
- women including girls
- second chance learning
- advice & information to alleviate poverty
- grassroots social health initiatives
- training for voluntary organisations
- joint working and trust-building initiatives
- equality and diversity

And, in Merseyside only:

- refugees
- children and young people
- family support
- homeless people
- people with disabilities
- carers

Trustees will continue to review the Foundation's grant making policy at regular intervals. The last review for Merseyside and Northern Ireland was carried out in 2016.

JOHN MOORES FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2018

Achievements and performance

Grant making 2017/18

Statistics

During the year 2017/18, 177 written applications were received (223 in 2016/17), of which 102 were from Merseyside (160 in 2016/17), 66 from Northern Ireland (53 in 2016/17) and 9 from other areas (10 in 2016/17).

In 2017/18 in Merseyside, 75 grants were paid totalling £462,513 (compared with 88 grants totalling £492,090 in 2016/17). Of these 25 were revenue grants of more than one year (29 in 2016/17). Approximately 52% of grants given in Merseyside were for £5,000 or less (60% in 2016/17) with an average of £6,167 (£5,592 in 2016/17).

In 2017/18 in Northern Ireland, 40 grants were paid totalling £157,475 (compared with 59 grants totalling £215,344 in 2016/17). Of these 3 were revenue grants of more than one year (2 in 2016/17). In Northern Ireland 100% of grants were for £5,000 or less (100% in 2016/17), with an average of £3,937 (£3,650 in 2016/17). A complete list of grants paid during the year is at the end of this report.

Trends Merseyside

After the year 2016/17 when the Foundation received a record 160 applications from Merseyside, 2017/18 saw a decline to 102, the lowest number in the past 5 years. 49 grants were paid out which is again a drop from the 5 yearly average of 57. However, the total amount awarded in 2017/18 (£503,487) wasn't far off the 5 yearly average of £530,841. This is reflected in JMF's Annual Statistics where it is apparent that the number of larger grants (grants over £7,500 per annum) has gone up from 8 to 16 since 2016/17. This effectively means that in the past year the Foundation has given fewer grants but with a higher average value.

The highest number of applications received in 2017/18 in Merseyside, were for Young People's projects, Grassroots Social Health Initiatives, Community Organisations, and BAME groups. The fewest applications came for Second Chance Learning, Homeless People and Refugees/Asylum Seekers organisations. No grants were given to Carers organisations.

The highest number of applications received in 2017/18 in Northern Ireland, were for Local Community groups, Equality and Diversity and Grassroots Social Health Initiatives. The fewest applications came for Second Chance Learning, Training for Voluntary Organisations and Advice and Information to Alleviate Poverty projects.

JMF's most funded areas remain Liverpool, Merseyside-wide grants and Wirral followed by Northern Ireland.

Monitoring of grants made

The policy of Trustees is to monitor all grants made through written reports and visits wherever possible. The Grants Monitoring & Evaluation Worker undertakes this task in Merseyside and the NI Trust Officer in Northern Ireland.

Outstanding commitments

A number of grants have been agreed, either during the year or in previous years, which had not been taken up by 5 April 2018. All grant offers remain open for 12 months although occasionally, in exceptional circumstances, this period of offer is extended. At the end of 2017/18 there were 38 such grants outstanding (46 in 2016/17), with a total value of £282,388 (£251,402 in 2016/17), some of them payable over more than one year.

JOHN MOORES FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2018

Financial review

Total income for the year was £845,461, a decrease of £1,108 on the previous year.

Total expenditure amounted to £1,045,793, compared to £1,012,294 in the previous year.

Overall, before movements on investments, there were net outgoing resources of £200,332 on the Income Fund.

As a result of these movements, funds held at the year end totalled:

Unrestricted Income Fund surplus of £89,840 (2017; £119,045).

Restricted Expendable Endowment Fund £26,347,399 (2017; £26,889,864).

Reserves Policy

The Trustees have the discretionary power to convert part or all of the Restricted Expendable Endowment Fund into income and apply such funds for the purposes of the Foundation. In the absence of exceptional circumstances which require such action, the Trustees will continue to invest Expendable Endowment Fund assets and utilise income generated therefrom for the purposes of the Foundation.

On the Unrestricted Income Fund, year on year, the Trustees plan to make full distributions of available income, subject to making adequate reserves for known and future potential liabilities and commitments. In line with their stated reserves policy, the Trustees have reduced the balance held on Unrestricted Income Fund from £766,610 in April 2003 to a reserve of £89,840 at 5 April 2018.

Investment Policy

The Trustees' investment policy is to seek a balance between capital and income growth, consistent with achieving a reasonably high level of income and a low level of capital volatility, whilst protecting the capital from the effects of inflation.

The charity is entirely funded by income generated by its investment portfolio. This income enables the charity to achieve its charitable objectives of supporting community organisations carrying out charitable work in Merseyside and Northern Ireland.

The charity has no defined benefit pension scheme or pension asset and, therefore, has no risk of any material pension liability.

The Charity's assets can be invested widely and should be diversified by asset class, and by security. Asset classes may include: cash, bonds, equities, property, structured products, commodities, hedge funds, private equity and any other asset that is deemed suitable. The following is not permitted: direct exposure to arms and tobacco related stocks.

Risk Assessment

The Trustees examine the major risks that the charity faces each year. The charity has developed systems to monitor and control these risks to mitigate any impact that they may have on the charity in the future.

Public Benefit

Our grant making activities in 2017/18 demonstrated, in all accepted definitions, that John Moores Foundation provides charitable services that are of public benefit. We will continue to hold the delivery of public benefit as a key driver of our work.

JOHN MOORES FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2018

Future plans

The Foundation aims to maintain its annual grant giving at approximately £700,000. The Trustees continue to wish only to fund projects of real quality and reserve the right to turn down applications which may appear to fall within our criteria. The Foundation will particularly welcome applications from groups which have not been funded by it previously, and which meet the selection criteria and grant priorities that remain as set out in this report and on the Foundation's website www.jmf.org.uk.

Over the last year, both Rathbones and Veritas Investment Managers delivered two financial reviews attended by the Trustees and some of the staff. The Foundation is looking at the prospect of increasing the monthly income into cashflow from 3% to 3.25% - 3.5% in the upcoming year.

In the near future the Foundation is planning to introduce a survey to collect feedback on its performance.

Structure, governance and management

John Moores Foundation was set up by a Trust Deed on 30 December 1964, with the object of providing funds for charitable purposes. The Foundation was registered as a charity on 15 August 1967, charity number 253481.

The trustees who served during the year were:

Barnaby Moores
Nicola Eastwood
Christina Mee
Kevin Moores

The board of trustees administers the Foundation. Trustees are appointed by the board of trustees. The board regularly reviews the range of skills amongst trustees. The chair is appointed by the trustees.

New trustees are found from the contacts and networks of existing trustees. When recruiting new trustees the board looks for individuals with skills and experience which are of value to the Foundation and which are not represented by existing trustees. Potential trustees are invited to attend board meetings as observers and are provided with a pack of information including recent accounts and a copy of the trust deed. When new trustees join the board they are provided with further information regarding finances, governance and charitable objectives including minutes of trustees' meetings for the previous year.

Most trustees are highly experienced individuals and have a good understanding of what is involved in being the trustee of a charity. Where appropriate, the Foundation supports the training of trustees including, for example, attendance at seminars organised by the Association of Charitable Foundations of which the Foundation is a member.

The trustees meet at least four times a year to consider recommendations for, and make final decisions on, the awarding of grants. The day to day administration of grants and the processing of applications prior to consideration by the trustees is delegated to the Grants Director who is supported by the small team of staff.

The performance of all staff members is subject to annual review. Every February or March, each employee completes an appraisal form, on which they assess their achievements and performance over the past year in comparison to their job description and the goals agreed with their line manager (normally the Grants Director or, in the case of his own appraisal, the Chair of Trustees) in their previous appraisal. They then meet with their line manager to discuss the appraisal, set goals for the coming year and agree any required professional development. The outcomes of this process are reported to the trustees, who then decide on any pay increases to be made from that April.

JOHN MOORES FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2018

Trustees

No new Trustees were appointed during the year.

The Foundation has welcomed two advisors throughout the year. Trustees are continuously looking to increase their numbers and range of skills, backgrounds and experiences.

Staff

No new staff were appointed during the year.

Jennifer Zacharias (previously Tanner) has returned from maternity leave in February 2018.

Over the past year JMF has continued to engage in networking with the Merseyside Charitable Trusts Group and its partners. In addition, staff took on various job roles, attended relevant courses and charitable conferences and promoted JMF at funding fairs.

Office

The Foundation had a busy year moving location in autumn 2017 and is now based at 96 Bold Street.

Another change came in the removal of deadlines for applications submitted. These are now processed on a first come, first served basis with a final decision normally being made within three to five months of receipt.

In February 2018, JMF has taken steps to prepare for the changes in the Data Protection Act through participation in a GDPR related workshop and a seminar.

In Northern Ireland, the advisory group was strengthened by two new members with a background from across the charitable sector to bring the total number of Northern Ireland advisors to six.

The trustees' report was approved by the Board of Trustees.

Barnaby Moores

Trustee

Dated: 19 November 2018

JOHN MOORES FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 5 APRIL 2018

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

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

In preparing these accounts, the trustees are required to:

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

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

JOHN MOORES FOUNDATION

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF JOHN MOORES FOUNDATION

Opinion

We have audited the financial statements of John Moores Foundation (the 'charity') for the year ended 5 April 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 charity's affairs as at 5 April 2018 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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.

JOHN MOORES FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF JOHN MOORES FOUNDATION

Matters on which we are required to report by exception

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to 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 auditors 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.

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

Other matter

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

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

Use of our report

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

JOHN MOORES FOUNDATION

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF JOHN MOORES FOUNDATION

BWM

3 December 2018

**Chartered Accountants
Statutory Auditor**

Castle Chambers
43 Castle Street
Liverpool
L2 9SH

BWM is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

JOHN MOORES FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 5 APRIL 2018

	Notes	Unrestricted funds £	Endowment funds £	Total 2018 £	Total 2017 £
<u>Income and endowments from:</u>					
Investments	3	845,461	-	845,461	844,353
<u>Expenditure on:</u>					
Raising funds	4	-	171,127	171,127	96,129
Charitable activities	5	874,342	-	874,342	915,992
Other	11	324	-	324	173
Total		874,666	171,127	1,045,793	1,012,294
Net (losses)/gains on investments	12	-	(371,338)	(371,338)	1,864,913
Net movement in funds		(29,205)	(542,465)	(571,670)	1,696,972
Fund balances at 6 April 2017		119,045	26,889,864	27,008,909	25,311,937
Fund balances at 5 April 2018		89,840	26,347,399	26,437,239	27,008,909

JOHN MOORES FOUNDATION

BALANCE SHEET

AS AT 5 APRIL 2018

	Notes	2018		2017	
		£	£	£	£
Fixed assets					
Tangible assets	13		4,059		853
Investments	14		26,350,700		26,507,664
			<u>26,354,759</u>		<u>26,508,517</u>
Current assets					
Debtors	16	87,937		60,343	
Cash at bank and in hand		326,938		742,730	
		<u>414,875</u>		<u>803,073</u>	
Creditors: amounts falling due within one year	17	(277,496)		(250,003)	
Net current assets			<u>137,379</u>		<u>553,070</u>
Total assets less current liabilities			<u>26,492,138</u>		<u>27,061,587</u>
Creditors: amounts falling due after more than one year	18		(54,899)		(52,678)
Net assets			<u>26,437,239</u>		<u>27,008,909</u>
The funds of the charity					
Endowment funds	20		26,347,399		26,889,864
Unrestricted funds	21		89,840		119,045
			<u>26,437,239</u>		<u>27,008,909</u>

The accounts were approved by the Trustees on 19 November 2018

Barnaby Moores
Trustee

JOHN MOORES FOUNDATION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 5 APRIL 2018

	Notes	2018 £	£	2017 £	£
Cash flows from operating activities					
Cash absorbed by operations	25		(1,042,334)		(1,044,794)
Investing activities					
Purchase of tangible fixed assets		(4,545)		-	
Purchase of investments		(9,737,998)		(16,781,166)	
Proceeds on disposal of investments		9,998,714		17,240,765	
Dividends and interest from investments		845,461		844,353	
Net cash generated from investing activities			1,101,632		1,303,952
Net increase in cash and cash equivalents			59,298		259,158
Cash and cash equivalents at beginning of the year			1,679,450		1,420,292
Cash and cash equivalents at end of the year	26		1,738,748		1,679,450

JOHN MOORES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2018

1 Accounting policies

Charity information

John Moores Foundation is governed by its Trust Deed dated 30 December 1964 and registered in England and Wales. The principal address is 1st Floor Front Office, 96 Bold Street, Liverpool, L1 4HY.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Trust Deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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

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 accounts, the trustees have 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 accounts.

1.3 Charitable funds

The Unrestricted Income Fund can be spent on any purpose within the Foundation's objects at the discretion of the trustees.

The Expendable Endowment Fund is primarily for income generation but is expendable at the trustees' discretion. The trustees have the discretion to transfer funds to the unrestricted Income Fund should the need arise.

1.4 Income

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.

1.5 Expenditure

Expenditure is included in the statement of financial activities on an accruals basis, inclusive of VAT which cannot be recovered. Grants and donations payable are accounted for when a legal or constructive obligation arises. A constructive obligation arises where the other party has a reasonable expectation of receipt, or when grants are minuted as approved and committed for payment, whichever is earlier.

JOHN MOORES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2018

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

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

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

Fixtures, fittings & equipment	20% per annum reducing balance
--------------------------------	--------------------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

Only capital expenditure amounts in excess of £200 per item are capitalised as fixed assets.

1.7 Fixed asset investments

Quoted investments and other investments are stated at current market value at the balance sheet date. All gains and losses, both realised and unrealised, are included in the Statement of Financial Activities.

1.8 Impairment of fixed assets

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

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.

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.

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.

JOHN MOORES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2018

1 Accounting policies

(Continued)

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.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's 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 Foundation has arranged a defined contribution pension scheme for eligible members of staff. The assets of the scheme are held separately from those of the Foundation, being invested with various pension companies. Pension costs charged in the Statement of Financial Activities represent the contributions payable by the Foundation in the year.

1.13 Leases

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

1.14 Taxation

The charity benefits from various exemptions from taxation afforded by tax legislation and is not liable to corporation tax on income or gains falling within those exemptions.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

JOHN MOORES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2018

3 Investments

	2018	2017
	£	£
Income from listed investments	844,354	842,485
Bank deposit and money on call interest	1,107	1,868
	<u>845,461</u>	<u>844,353</u>

4 Raising funds

	Unrestricted funds	Endowment funds	Total 2018	Total 2017
	£	£	£	£
<u>Investment management</u>	-	171,127	171,127	96,129
	<u>-</u>	<u>171,127</u>	<u>171,127</u>	<u>96,129</u>
For the year ended 5 April 2017				
Investment management	31,074	65,055		96,129
	<u>31,074</u>	<u>65,055</u>		<u>96,129</u>

JOHN MOORES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2018

5 Charitable activities

	Grant expenditure	Grant related support costs	Total 2018	Total 2017
	£	£	£	£
Grant funding of activities (see note 6)	650,974	-	650,974	666,361
Share of support costs (see note 7)	-	205,835	205,835	213,731
Share of governance costs (see note 7)	-	17,533	17,533	35,900
	<u>650,974</u>	<u>223,368</u>	<u>874,342</u>	<u>915,992</u>
Analysis by fund				
Unrestricted funds	<u>650,974</u>	<u>223,368</u>	<u>874,342</u>	
	<u>650,974</u>	<u>223,368</u>	<u>874,342</u>	
For the year ended 5 April 2017				
Unrestricted funds	<u>666,361</u>	<u>249,631</u>		<u>915,992</u>
	<u>666,361</u>	<u>249,631</u>		<u>915,992</u>

6 Grants payable

	2018 £	2017 £
Grants to institutions:		
Charitable donations paid - Appendix 1	619,988	707,434
Committed and payable donations at 6 April 2017	(251,402)	(290,165)
Committed and payable donations at 5 April 2018	282,388	251,402
Returned donations	-	(2,310)
	<u>650,974</u>	<u>666,361</u>

A complete list of grants paid during the year is at the end of this report.

JOHN MOORES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2018

7 Support costs

	Support costs £	Governance costs £	2018 £	2017 £	Basis of allocation
Staff costs	170,243	5,000	175,243	184,828	Allocated to grant making activities
Depreciation	1,015	-	1,015	213	Allocated to grant making activities
Office rental and costs	34,577	-	34,577	33,690	Allocated to grant making activities
Audit fees	-	3,600	3,600	3,600	Allocated to grant making activities
Accountancy	-	7,421	7,421	9,612	Allocated to grant making activities
Legal and professional	-	1,512	1,512	17,688	Allocated to grant making activities
	<u>205,835</u>	<u>17,533</u>	<u>223,368</u>	<u>249,631</u>	
Analysed between Charitable activities	<u>205,835</u>	<u>17,533</u>	<u>223,368</u>	<u>249,631</u>	

These comprise staff and office costs. The majority of these costs support the grant-making activity and are so allocated. A small proportion of support costs is allocated to governance costs.

8 Auditor's remuneration

The analysis of auditor's remuneration is as follows:

Fees payable to the company's auditor:	2018 £	2017 £
Audit of the charity's annual accounts	3,600	3,600
Non-audit services		
All other non-audit services	7,421	9,612

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year (2017: Nil). No trustee were reimbursed for travel expenses during the year (2017: one trustee reimbursed £72).

JOHN MOORES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2018

10 Employees

Number of employees

The average monthly number employees during the year was:

	2018 Number	2017 Number
Grants Director	1	1
Administrator	1	1
Grant Monitors	3	3
	<u>5</u>	<u>5</u>

Employment costs

	2018 £	2017 £
Wages and salaries	148,658	157,567
Social security costs	12,668	13,043
Other pension costs	13,917	14,218
	<u>175,243</u>	<u>184,828</u>

There were no employees whose annual remuneration was £60,000 or more.

11 Other

	2018 £	2017 £
Net loss on disposal of tangible fixed assets	324	173
	<u>324</u>	<u>173</u>

12 Net gains/(losses) on investments

	2018 £	2017 £
Revaluation of investments	(650,055)	835,111
Gain/(loss) on sale of investments	278,717	1,029,802
	<u>(371,338)</u>	<u>1,864,913</u>

JOHN MOORES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2018

13 Tangible fixed assets

	Fixtures, fittings & equipment £
Cost	
At 6 April 2017	19,775
Additions	4,544
Disposals	(13,278)
	<hr/>
At 5 April 2018	11,041
	<hr/>
Depreciation and impairment	
At 6 April 2017	18,922
Depreciation charged in the year	1,015
Eliminated in respect of disposals	(12,955)
	<hr/>
At 5 April 2018	6,982
	<hr/>
Carrying amount	
At 5 April 2018	4,059
	<hr/> <hr/>
At 5 April 2017	853
	<hr/> <hr/>

14 Fixed asset investments

	Listed investments £	Unlisted investments £	Cash in portfolio £	Total £
Cost or valuation				
At 5 April 2018	25,146,561	424,383	936,720	26,507,664
Additions	9,731,541	6,457	-	9,737,998
Valuation changes	(656,822)	6,767	-	(650,055)
Cash movements	-	-	475,090	475,090
Disposals	(9,719,997)	-	-	(9,719,997)
	<hr/>	<hr/>	<hr/>	<hr/>
At 5 April 2018	24,501,283	437,607	1,411,810	26,350,700
	<hr/>	<hr/>	<hr/>	<hr/>
Carrying amount				
At 5 April 2018	24,501,283	437,607	1,411,810	26,350,700
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 5 April 2017	25,146,561	424,383	936,720	26,507,664
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Quoted Investments and other investments are stated at current market value at the balance sheet date. All gains and losses, both realised and unrealised, are included in the Statement of Financial Activities.

The unlisted investment of £437,607 relates to the surrender value of a life insurance policy held with Friends Life.

JOHN MOORES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2018

15 Financial instruments	2018	2017
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	1,825,011	1,738,166
Instruments measured at fair value through profit or loss	24,938,890	25,570,944
	<u> </u>	<u> </u>
Carrying amount of financial liabilities		
Measured at amortised cost	332,395	302,670
	<u> </u>	<u> </u>
16 Debtors	2018	2017
	£	£
Amounts falling due within one year:		
Accrued income	86,263	58,716
Prepayments	1,674	1,627
	<u> </u>	<u> </u>
	87,937	60,343
	<u> </u>	<u> </u>
17 Creditors: amounts falling due within one year	2018	2017
	£	£
Other taxation and social security	-	11
Grants payable	227,489	198,724
Accruals and deferred income	50,007	51,268
	<u> </u>	<u> </u>
	277,496	250,003
	<u> </u>	<u> </u>
18 Creditors: amounts falling due after more than one year	2018	2017
	£	£
Grants payable	54,899	52,678
	<u> </u>	<u> </u>
19 Retirement benefit schemes		

Eligible staff participate in earmarked defined contribution schemes for staff members, managed by various insurance companies. The Foundation contributes 9% of pensionable salary.

The charge to the statement of financial activities in respect of defined contribution schemes was £13,917 (2017: £14,218).

JOHN MOORES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2018

20 Endowment funds

	Movement in funds				Balance at 5 April 2018
	Balance at 6 April 2017	Income	Expenditure	Revaluations gains and losses	
	£	£	£	£	£
Expendable endowments					
Expendable Endowment Fund	26,889,864	-	(171,127)	(371,338)	26,347,399
	<u>26,889,864</u>	<u>-</u>	<u>(171,127)</u>	<u>(371,338)</u>	<u>26,347,399</u>
	<u><u>26,889,864</u></u>	<u><u>-</u></u>	<u><u>(171,127)</u></u>	<u><u>(371,338)</u></u>	<u><u>26,347,399</u></u>

The Expendable Fund comprises special receipts, in particular capital items donated to the Foundation over the years and subsequent movements. Realised and unrealised movements on investments held for the Expendable Endowment Fund are credited or charged to the Fund on an annual basis.

Income arising from the Expendable Endowment Fund Investments is credited directly to the Income Fund and is applied for the purposes of the Foundation as detailed in the Trustees' Report.

Realised and unrealised movements on investments held for the Income Fund are credited to the Fund on an annual basis.

21 Unrestricted Income Fund

	Movement in funds			Balance at 5 April 2018
	Balance at 6 April 2017	Income	Expenditure	
	£	£	£	£
Unrestricted Income Fund	119,045	845,461	(874,666)	89,840
	<u>119,045</u>	<u>845,461</u>	<u>(874,666)</u>	<u>89,840</u>
	<u><u>119,045</u></u>	<u><u>845,461</u></u>	<u><u>(874,666)</u></u>	<u><u>89,840</u></u>

Unrestricted Funds represent the Foundation's Income Fund

Income from Expendable Endowment and Income Fund Investments is credited to the Income Fund and expenditure, primarily related to grants, is charged against this income.

JOHN MOORES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2018

22 Analysis of net assets between funds

	Unrestricted Fund	Expendable Endowment Fund	Total
	£	£	£
Fund balances at 5 April 2018 are represented by:			
Tangible assets	4,059	-	4,059
Investments	-	26,350,700	26,350,700
Current assets/(liabilities)	140,680	(3,301)	137,379
Long term liabilities	(54,899)	-	(54,899)
	<u>89,840</u>	<u>26,347,399</u>	<u>26,437,239</u>

23 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2018 £	2017 £
Within one year	<u>21,600</u>	<u>7,820</u>

24 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2018 £	2017 £
Aggregate remuneration	<u>63,788</u>	<u>62,335</u>

No guarantees have been given or received.

